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LABOR ATTITUDES AND PROBLEMS

BY

WILLARD E. ATKINS, A. M., J. D.
PROFESSOR OF ECONOMICS, WASHINGTON SQUARE COLLEGE, NEW YORK UNIVERSITY
CO-AUTHOR OF "THE WORKER IN MODERN ECONOMIC SOCIETY"

AND

HAROLD D. LASSWELL
INSTRUCTOR, DEPARTMENT OF POLITICAL SCIENCE, UNIVERSITY OF CHICAGO

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PREFACE

The purpose of this book is to present to students who have already obtained some slight background in the concepts and terminology of economics, a more intimate consideration of the worker in society. It is an attempt to understand the worker from an economic standpoint; what he does, how he lives, what he thinks—in brief to get at his attitudes.

The book is addressed primarily to students of the junior college. The authors believe, however, that since the mode of approach is quite different from that of the current books on "labor problems," the present work will adapt itself to the needs of various other student groups. Prospective engineers, for example, whose profession is sure to force them into the thick of the problems of capital and labor, should find the material here presented both interesting and profitable.

For, as it has been pointed out more than once, the average employer, when encountering a difficulty in material or machinery, at once turns the matter over to a group of experts for investigation; whereas, if the difficulty is with the workers, he at once assumes the attitude of warfare. Yet the need for cool understanding of the nature of the difficulty is certainly as great in the second instance as in the first.

And what is more to the point, the worker's opinions can not be simply controlled. The direction of our social and industrial development always represents a resultant of conflicting forces, and among these forces the aspirations of the worker exert a constantly increasing influence. The authors of the present text assume that every citizen of a democracy is called upon to bear his part in adapting our institutions to the bewildering changes of our social and industrial system, and that an intelligent appreciation of the attitude of the worker will enable us to substitute, in some measure, wise co-operation for wasteful conflict.

It will be apparent that this approach frankly assumes the influence of environmental factors upon human opinions, motives, and actions. Whatever theories we may hold in regard

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to the metaphysical problem of free will and determinism, we must all recognize that an individual's choices are not made in a vacuum, that what William James called "live options" vary with differing sets of influences.

Instructors in economics are painfully aware that their students approach the generalizations of the subject without any adequate background of specific experience. Especially marked is the absence of intimate contact with the conditions which mold the lives of the worker. Students reared in the atmosphere of mine and factory are rare in the high school and almost negligible in number in college and university.

Unfortunately the group of textbooks to which the economics instructor naturally turns for help in teaching labor courses fail not only to give a factual background and stimulate the use of sources, but they are too limited in viewpoint. The approach of the subject heretofore has been too pathological. We have analyzed various symptoms of disease in the social body—poverty, strikes, boycotts, lockouts, gunmen—and have examined various remedies, such as old-age pensions, collective bargaining, profit-sharing. We have, so to speak, studied tuberculosis before we have studied the physiological functions of the lungs; we have specialized in splints and bandages without the prerequisite course in general anatomy. This criticism does not mean to establish that the clinical point of view is not important. But just as an understanding of the composition and functioning of the human organism is a condition precedent to the efficient treatment of bodily disease, so is an understanding of the composition and functioning of the working population a necessary preliminary to the diagnosis and treatment of the diseases of the social body.

That the presentation of the life conditions which intimately affect the outlook of the working population is sure to awaken the interest of the student, has been amply demonstrated in our courses at the University of Chicago and the University of North Carolina. Doubtless our experience has been duplicated at other institutions. In place of a vague and abstract entity, the worker stands out as a citizen, the father of a family, a human being sensitive to a real and concrete environment. It is seen how he reacts to the six-hour day in the mines, to the twelve-hour day in the steel mills; how he is affected by prolonged fatigue, imperfectly-protected machinery, poor sanitary conditions—and their opposites; how he responds to the temper of his foreman, the wise or irritating methods of management; what far-reaching effects are produced by the kind of home to which he returns at evening with his dinner pail. The student is interested to observe the conditions which make for the local union in one field, for the industrial union in another; why the I. W. W. flourishes here, the A. F. of L. there; what differing reactions there are towards the church, the school, socialism, government, private property.

And finally, of course, the student is faced with the question of what attitude he himself should assume towards the conditions which he finds in industry. Some instructors are inclined to discourage all student opinions as being necessarily immature. The authors believe, however, that student opinions should be not only tolerated but encouraged. Untrained minds cannot be expected to hold a mass of ideas in suspense while collecting further data. For the young student the formation and expression of opinions constitute the very life of the course. And the very nature of the material here presented will offset in considerable degree the pernicious habit of hasty and dogmatic generalization. The great variety of conditions encountered in different corners of the industrial field will preclude the application of many sweeping formulae dealing vaguely with capital and labor. Moreover, as the questions appended to the chapters will reveal, the intent of the text is not only to make the student conscious of the specific conditions which affect the attitudes of various groups of workers, but to make him aware of the environmental elements which influence his own drift of opinion.

But while the matter of the text and its methods of presentation should make the student distrustful of the finality of his opinions, he ought not to be rescued from the thin air of generalization only to be left floundering in a mire of facts. Many students, particularly in these days of vocational training, have some conception of the life role which they are to play. The student should be encouraged to make specific applications of the ideas which this factual survey awakens, to the industrial problems which he must encounter as skilled worker, business manager, lawyer, or preacher—and always as a voting citizen. Though the text presents no final solutions of the problems involved, the authors feel that the spirit in which these problems should be approached should be frankly democratic, and, in the larger sense of the term, humanistic.

Not that the workman is the only person whose rights must be considered in an industrial enterprise; but in the intricate problems of what to change and what to conserve in our present system, it should never be forgotten that the factory exists for man and not man for the factory, that in the ultimate analysis all industrial conditions must be justified in terms of human welfare.

In the writing of this book a great debt is acknowledged to Professors Paul H. Douglas and Albert S. Keister of the University of Chicago for criticism while the ideas of the book were in the making, to Dorothy Douglas for the results of her studies on standards of living, and to Nancy Claire Atkins whose observations throughout have been exceedingly helpful. Scarcely less a debt exists to former students, including Miss Anna Ward and Messrs. Theodore Yntema and James L. Palmer, for work on various chapters. For reading the manuscript, either in whole or in part, the authors are grateful to Professors Jesse Steiner of the University of North Carolina, Summer H. Slichter of Cornell University, and David Saposs of Brookwood College, and Charles E. Merriam of the University of Chicago. To this list of generous co-operators must be added Dean D. D. Carroll, Professors Harold Smart and Floyd Allport of the University of North Carolina, Messrs. Carter Goodrich of Washington, D. C., Earl Dean Howard, labor manager of Hart, Schaffner, and Marx, and H. W. Laidler of New York, for making suggestions on particular chapters. Needless to say, the authors alone assume responsibility for what is written.

March 15, 1924

Willard E. Atkins
Harold D. Lasswell

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YOU SEE that this wrought-iron plate is not quite flat; it sticks up a little here towards the left—"cockles," as we say. How shall we flatten it? Obviously, you reply, by hitting down on the part that is prominent. Well, here is a hammer, and I give the plate a blow as you advise. Harder, you say. Still no effect. Another stroke? Well, there is one, and another, and another. The prominence remains, you see: the evil is as great as ever—greater, indeed. But this is not all. Look at the warp which the plate has got near the opposite edge. Where it was flat before, it is now curved. A pretty bungle we have made of it. Instead of curing the original defect, we have produced a second. Had we asked an artisan practiced in "Planishing," as it is called, he would have told us that no good was to be done, but only mischief, by hitting down on the projecting part. He would have taught us how to give variously-directed and specially-adjusted blows with a hammer elsewhere, so attacking the evil not by direct, but by indirect actions. The required process is less simple than you thought.

—*Spencer*

PART I

PRELIMINARY VIEW

In a field in which controversy and disagreement are the distinguishing features, it is well to weigh the merits of particular methods and points of view.

CHAPTER I

STUDYING LABOR PROBLEMS AND ATTITUDES

Yesterday morning as I rode downtown in a street-car, I sat beside a man who was clad in a blue shirt and overalls. The headline on the front page of my newspaper read: "CARPENTERS REFUSE TO RETURN TO WORK." The man at my side glanced at the headline and exclaimed: "Refuse to return to work! Rot! Those contractors won't let them go back to work. No self-respecting man will slave for starvation wages. All the carpenters want is a fifteen per cent increase and anyone knows that's little enough to raise a family on decently! But you never see that side of it in the newspapers; they're run by the fellows who own the property, the capitalists. They are the fellows who tell us what to think and what not to think about the government and everything else."

On the way back home I found myself occupying a seat with a man who was clad in a conservative gray business suit. I chanced to inquire, "When do you suppose those carpenters are going back to work?" "Say," he replied hotly, "Nobody knows. Why, do you know that those fellows get a bigger salary than school teachers? Those building trades fellows are all alike; they want everything they can get their hands on, and they loaf half the time, at that. Take the plumbers. They call it a day's work if they put in one bathtub, no matter whether it takes two hours or five. Fellows like that are trying to run the country and make a soviet out of it."

Now, just how am I to account for these two men? Both of them are Americans. Both of them live in my own city, and went through grammar school here. They read the same newspapers; they go to see the same moving pictures. Why do they think so differently? Of course, we naturally expect Mr. Jones to hold opinions somewhat different from those of Mr. Smith just because Jones is Jones and Smith is Smith. But in the case of the two men on the street car we feel that the sharp contrast in opinions is not purely a personal matter, that it reflects a general difference in outlook in some way related to the difference between business suits and overalls.

The power of workers.—The present volume will concern itself primarily with the man in overalls. That it is highly important to seek to understand his attitude becomes evident when we reflect that there are millions who respond to the call of work every morning, and that to no slight extent the welfare of our nation is bound up with what these millions in overalls think and do. In their hands is a vast potential power of united action. The mere refusal of a large group of them to go to work throws, for the time being, our industrial mechanism out of gear, inconveniences and perhaps imperils millions of people. By their votes they can exert pressure upon political leaders, and they are exercising a growing influence on the policy of our government in such matters as the settlement of labor disputes, the adoption of old-age pensions, the granting of injunctions, and the provision for adequate educational training.

To seek to understand their outlook, therefore, is not a matter of idle curiosity. Their co-operation in the production of commodities and services, their co-operation in church, and home, and government is of vital necessity. So we turn to the study of America's workers—America's wage-earners, salaried clerks, the farmers, and the others. What is their daily routine? How many hours do they work? How fast do they work? How much energy do they have left for the theater, for study, for art, and for home life? How do their industrial experiences influence their opinions about the employer, the government, the church, and private property? These are the things which we must find out by studying the experiences of America's working groups.

A. The Method of Approach

An answer to the many questions which thoughtful citizens are asking can be given only after an exhaustive survey of all the information available, and even then our conclusions will be imperfect and provisional. The subject is complex in its very nature; it demands thinking in terms of many groups rather than of a few. And what is even more important, conclusions must not be reached in regard to any group or individual before we have seen the conditions under which workers labor, the homes they return to at the close of the work-day, their recreation—all the significant influences in their lives. If the lives of the workers can be viewed in their entirety, it will be possible to understand better their mental attitudes towards their employers, politics, the church, unionism, sabotage, boycotts, the government, wealth, courts of law, immigration, and tariffs.

The process of seeking facts.—It is evident that to reach such a goal it is necessary to seek facts. Information in textbooks, the ideas of other people, personal observations, newspaper articles, and a score of other sources exist. The student should be alert to grasp every opportunity. He can learn as much from the janitor, from the plumber, and the casual acquaintance, as from the closest of friends. The facts received will be contradictory; as facts they cannot be reconciled. This difficulty is unavoidable, but it makes the quest more fascinating for it raises the question: How much of this information can be accepted? In other words, it forces selection. And with the problem of selection will come just such issues as: Is Mr. *A*'s recital the whole truth? Has he any bias? What is there in his present associations, his work-life, his position, his wealth or absence of it, his success or failure in life, his connections, his training, his breadth of experience or his ignorance, that leads him to see as he sees, to believe as he believes?

Facts, in any case, are hard to pin down and be certain about. Possibly you have heard people try to tell what happened at a football game and found, perhaps, that some one, nearly every one, disagreed with the account of how the second touchdown was made, or how the left tackle violated the rules of the game while the referee was or was not looking, or how the officials were not fair in their decisions. People looking at the same situation see differently. Some have loyalties which make it difficult for them to be impartial observers; some looking from other parts of the field, see things which we do not see from our place in the grandstand. The result is that when we tell the story, although we agree upon many facts, on others we disagree.

In seeking facts about the worker the same problem is encountered. The employer may tell a different story from that of the employee, the union man may differ with the non-union man, the report of the supposedly impartial investigator may disagree with all the other stories. To illustrate: In the autumn of 1919 the coal-mine workers of America went out on a strike which lasted for about eight weeks. Two reporters were sent by a newspaper to write up the strike. Reporter *A* wrote a series of articles in which he denounced the strikers as enemies of the public, as foreign-born agitators both unpatriotic and lazy. Reporter *B* said that the strike was a protest against an unbearable situation; he declared that the miners had a good case for a shorter working day and week as a means of spreading their work more regularly throughout the year; he praised the secretary of the miners as a sturdy American who had served in the legislature of one of our important states, and his story failed to point out any lack of patriotism in the ranks of the miners.

It might be that these men did not have time to see all of the situation, and hence they reported the part which they did investigate. Reporter *A* might have visited the office of the Mine Operators' Association and heard the version which was offered there. It is conceivable that the other reporter went to union headquarters and heard only the strikers' side of the story. Or again, some one suggests that possibly these two reporters arrived at the scene of the strike with different pictures in their heads, and were not fitted to see impartially the facts that existed. If each had asked himself honestly, "How am I by training, experience, station in life, and the nature of my work, likely to be biased or handicapped in reporting the situation?", it is possible that there would not have been so great a difference in the reports sent by these two men to their paper.

When Mr. H. G. Wells, the famous English writer, was sent over by an English newspaper to report the Disarmament Conference of 1921, he wrote out the following statement of his bias for the benefit of his readers:

> "For my own part, though I care very little for the British Empire, which I think a temporary patched-up thing, I have passionate pride in being of the breed that produced such men as Shakespeare, Milton, Bacon, Cromwell, Newton, Washington, Darwin, Nelson, and Lincoln. And I love the peculiar humor and kindly temper of an English crowd, and the soft beauty of an English countryside with a strong, possessive passion.
>
> "I find it hard to think that other peoples matter quite as much as the English. I want to serve the English and to justify the English. Intellectually I know better, but no man's intelligence is continually dominant; fatigue or surprise him, and habits and emotions take control. I have this bias which will always tend to make me run crooked in favor of my own people."

Such candor on the part of the writer has at least two factors in its favor: (a) it exposes him to himself, and (b) it gives the reader some basis for judging his writings. Discriminating readers, of course, make allowance for the probable bias in what they read, even though the author does not caution them to do so.

To drag opinions out into the open air, as Mr. Wells has done in the paragraphs above, and account for them is no easy task. We are aware that we possess ideas about other people, types of work and play, politics, religion, communities, newspapers, magazines, books, studies, homes, motion pictures, cigarettes, prohibition, tariffs, armaments, and chewing gum. We concede that we have arrived at attitudes toward things; we are quite certain of our conclusions in a given case, but like Antonio in "The Merchant of Venice," how we "caught it, found it, or came by it, what stuff 'tis made of, whereof it is born" we have yet to learn. To state the existence of attitudes is not a difficult matter; to explain why an attitude is what it is, calls for an analysis, which is often difficult to make, and yet which should not be sidestepped. We must, as a part of our study, expose ourselves to ourselves.

B. Who Are The Workers?

Up to this point we have been content to suggest a series of problems and to indicate in a general way how to approach them. There has been no attempt to explain our subject, "the workers." What does the phrase imply? If a group of students were asked to describe "the worker," it is possible that very many wide differences would be revealed in their conceptions; one might think of the worker as a big-muscled man, laboriously wielding a pick; some one else might picture the worker as a stoop-shouldered, near-sighted bookkeeper brooding over his ledgers. An infinite variety of pictures might be pressed forward as most properly fitting the term.

The picture or symbol which the term, "the worker," calls to mind depends upon what the individual has experienced in the industrial field, and upon the impressions which he has received in life from the group of people with which he habitually associates. If one lives in the country, "the worker" may appear as a hired hand who pitches hay and milks the cows; for the art student the symbol of "the worker" may be one of Millet's bent peasant figures; in the mind of the labor agitator the worker may be idealized as a crusader going out to fight the battle of right. If the last motion picture film has shown the hero working in a steel mill, then one may conceive the worker as a perspiring, well-muscled individual with his shirt removed, standing before a furnace, the ruddy glow of which brings out his features in bold relief.

It is natural for people to think in symbols such as these, in pictures called up in imagination when certain words are uttered, yet it is well to remember that our mental pictures of things in general are too much like the particular things which we have frequently and vividly experienced. Thus, when some one utters such general terms as "church," "home," "college," the pictures called up for each of us are likely to bear a close similarity to the particular churches, homes, and colleges which the cameras of our minds have photographed by long-time or flash-light exposure. Our limited experiences crystallize about the symbol; the word or phrase stands for a whole series of experiences. Usually people do not stop to question the accuracy of the pictures aroused by symbols or to compare them with those of others. But if such questions were raised and such comparisons made, it would be found that, although a given symbol is an excellent assembling device, the symbol as such does not tell the full truth, or, at least, others with differing experiences and reactions will not admit it does.

Workers not the only producers.—Looking at the worker from various points of view, different ideas have been brought forward as descriptive of "the workers." One conception identifies the term with production. It is well to remember, however, that "workers" are not the only people whose effort is productive. The man who spends a half day utilizing his specialized knowledge to direct investments is regarded as a producer, but he is scarcely thought of as a "worker;" the energetic promoter of a new company striving to get oil may prove of great service, yet he is not spoken of as a "worker;" a lawyer, a teacher, a grand opera star, a physician, or a professional baseball player may pursue useful professions without falling into the general classification of "worker." All who create goods or services which satisfy human wants can properly claim to be producers; only the idler, and a limited group of helpless individuals, or those engaged in anti-social conduct are excluded by a definition which classifies people in terms of production.

Sources of income.—A second approach to a definition might be made by examining the source of the income of an individual. If rent, interest, or profits form the basis of the individual's income in contrast to wages, should he be considered a "worker"? The difficulty is that many cases exist where income is derived from a combination of these factors of distribution.

Workers as non-owners.—A third possible approach might be made through examining the ownership of producers' goods. Aren't "workers," after all, those who do not own the tools of production, who must await others to set them to work, and take orders from those who own producers' goods? The idea is suggestive.

Should the carpenter who owns his own tools and a miner who carries his own pick and blasts with his own powder be regarded as "workers"? They are exceptions, although there are many other crafts, particularly in the building trades, in which the "workers" own some or all of the mechanical aids to production which are employed. And what of the foreman and the assistant superintendent, who, while they frequently do not have their money invested, act as agents of the owners?

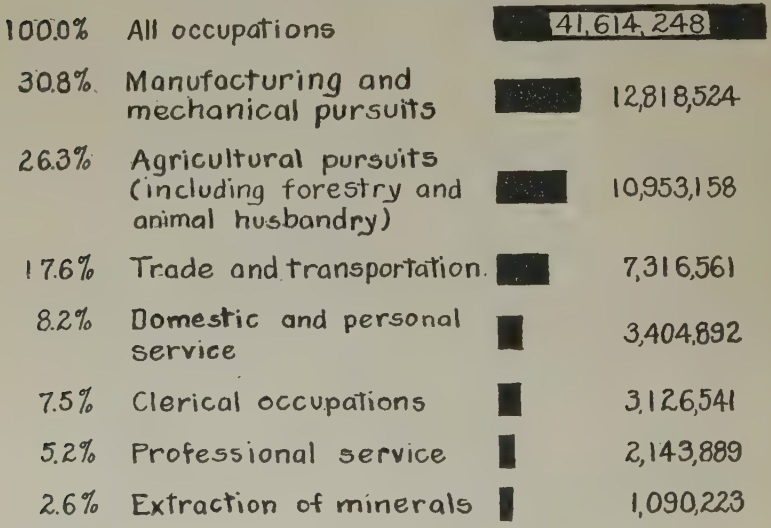
Workers as those possessing group loyalty.—From a radical quarter comes the suggestion that any individual may legitimately be called a worker who believes in, works for, and feels he is a part of a workers' movement. In this sense the editor of a pro-labor paper, the writer of pro-labor articles, the maker of radical speeches, the teacher of radical economics, the writers of radical novels, the painter of radical pictures—all these would qualify as loyal members of the working class.

Quite as notable as those whom such a classification would include are those in America whom it would exclude. It is a matter of everyday knowledge that the six million agricultural workers in the United States have been, at least until recently, without a consciousness of group opposition to the social system of which they are a part. Most of them have been waiting for the day to come when they, too, shall become tenant farmers or full owners. Within the ranks of industry are those who are accumulating a little capital with the expectation of launching out for themselves in small business ventures. And there are many who have no hope of becoming owners on their own account and yet condemn agitators who talk of a fundamental antagonism between the interests of capital and labor.

The "workers" as those who are thought to be workers.—These questions suggest to some students, at least, that "workers" may be defined as all those who are supposed, and commonly considered by the community as a whole, to be workers. This is indeed a somewhat ill-defined and changeable standard, but it is not open to the charge of including superintendents as workers, and of excluding the craftsmen who own their own tools. The community does define and place individuals, even though it does the task unconsciously, and the interesting fact is that people tend to accept the community judgment. The community doesn't look upon the bank clerk as a "worker;" it does look upon the bricklayer as such. Silk shirts and good clothes are not forbidden by the community to the former, yet if the latter possess them, the community wonders "what the world is coming to."

Table I

Relative Importance of Different Occupations in 1920



100.0%	All occupations	41,614,248
30.8%	Manufacturing and mechanical pursuits	12,818,524
26.3%	Agricultural pursuits (including forestry and animal husbandry)	10,953,158
17.6%	Trade and transportation	7,316,561
8.2%	Domestic and personal service	3,404,892
7.5%	Clerical occupations	3,126,541
5.2%	Professional service	2,143,889
2.6%	Extraction of minerals	1,090,223

From Fourteenth Census of the United States.

Summary.—We have canvassed several approaches to the problem of defining a worker, and have discovered that, though each is suggestive, all suffer from some fault of inadequacy. We may safely conclude, then, that no one definition is sufficient, just as we found that no particular symbol of the worker included all of the diverse facts which are necessary to

Table II

	1870	1880	1890	1900	1910	1920
Farm laborers	2,885,996	3,323,876	3,004,061	4,410,877	6,143,998	4,178,637
Farmers	3,000,229	4,282,074	5,370,181	5,770,738	6,229,161	6,178,637
Proprietors and officials	581,378	807,049	1,347,329	1,811,715	2,879,023	3,168,418
Professional	414,708	666,338	1,114,506	1,565,680	2,074,792	2,760,190
Lower salaried	309,413	529,473	965,852	1,329,928	2,393,620	3,985,306
Servants	975,734	1,075,655	1,454,791	1,453,677	1,572,225	1,270,946
Industrial wage-earners	3,328,351	5,286,829	7,360,442	10,263,569	14,556,979	17,648,072
Unclassified	1,010,114	1,420,795	2,118,498	2,467,043	2,317,538	2,138,971
Totals	12,505,923	17,392,099	22,735,661	29,073,233	38,167,336	41,614,248

	1870	1880	1890	1900	1910	1920
Farm laborers	23.1	19.1	13.2	15.2	16.1	10.0
Farmers	24.0	24.6	23.6	19.8	16.3	15.5
Proprietors and officials	4.6	4.6	5.9	6.2	7.5	7.6
Professional	3.3	3.8	4.9	5.4	5.4	6.6
Lower salaried	2.5	3.0	4.3	4.6	6.3	9.6
Servants	7.8	6.2	6.4	5.0	4.1	3.1
Industrial wage-earners	26.6	30.4	32.4	35.3	38.2	42.4
Unclassified	8.1	8.2	9.3	8.5	6.0	5.1

(Alvin H. Hansen, *Journal of the American Statistical Association*, December, 1922, page 504) convey the complete story to someone else; the details to be included are too numerous and too varied. Hence, if we are to think with any accuracy in the study of American workmen, we must hold in mind many diverse pictures, and utilize many definitions in order to secure the proper perspective. There are workers and workers; no single symbol or generalization tells the whole story.

C. Numerical View of the Working Population

In order to understand the part played by the workers, it is desirable to get a broad understanding of the number of workers in our country and the kinds of occupations in which they are engaged. The best sources for this information are the following tables compiled from the United States census of 1920.

Table I is taken from the census and shows the occupational groups of all persons gainfully employed, regardless of their status as worker, professional man, or employer.

Table II is an attempt to classify the gainfully-employed into class groups. Which classes would be included in the term "workers"? What per cent is this of the total of those gainfully employed? How has this relative number changed since 1870?

Table III shows the totals of immigrants by decades, which have been largely added to our working population:

Table III

The Trend of Immigration

Immigration to the United States, 1820 to 1920, by Decades

Period	Immigrants	Percentage of Distribution	Average per Year
1820–30	151,824	0.4	13,802
1831–40	599,125	1.7	59,913
1841–50	1,713,251	5.1	171,325
1851–60	2,598,214	7.7	259,821
1861–70	2,324,824	6.8	231,482
1871–80	2,812,191	8.3	281,219
1881–90	5,246,613	15.5	524,661
1891–1900	3,687,564	10.9	368,756
1901–10	8,795,386	26.1	879,539
1911–20	5,735,811	17.0	573,581
Totals	33,654,803	100.0	333,215

(Compiled from figures in the "Statistical Abstract of the United States," U. S. Department of Commerce, 1921, page 103).

No less a point of information than the actual numbers of immigrants arriving each decade in the United States is the changing nature of the movement. The following map with table appended, reveals the reversal in the dominance of countries and cultures represented in the old and new European immigration.

"OLD" AND "NEW" EUROPEAN IMMIGRATION
UNITED STATES
COPYRIGHTED BY
NATIONAL INDUSTRIAL CONFERENCE BOARD
NEW YORK CITY

"OLD" IMMIGRATION
NORTHERN AND WESTERN EUROPE
NEW IMMIGRATION
SOUTHERN AND EASTERN EUROPE

Courtesy, National Industrial Conference Board.

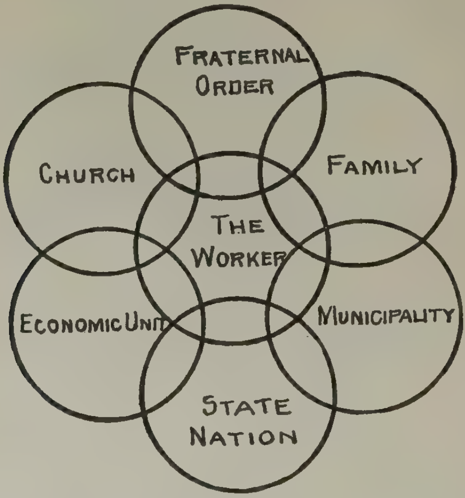
1861–1870— 1.6% New; 98.4% Old
1891–1900—52% New; 48 % Old
1911–1920—77.6% New; 22.4% Old

D. The Workers as Social Beings

Regardless of definition, the worker is, after all, just a plain human being. We must not forget the biggest fact about him, namely, that he is as likely to be a voter, a father, a lodge member, or a church worker as any of the professional people or capitalists in society. With a view to suggesting this idea in more detail, the diagram on page 14 is inserted.

As a member of the family, of the city, and of other groups, the worker participates in the common experiences of these groups and naturally possesses some part of the knowledge of the traditions, the leaders, the theories, and the sentiments of those with whom he is associated. His experience as a member of each group, the loyalties he develops, the ideas he accepts, tend to modify his behavior in respect to every other group. The qualities developed in one set of relationships, it should be pointed out here, tend to modify his behavior in all other relationships. The worker may, for example, refuse to work with a Catholic in case he is a violent and narrow Protestant, or vice versa; as a member of a racial group, he may resent the competition of men of yellow or black skins; as a member of a particular national group, he may get along poorly with the English or the Germans; as a member of a religious group, he may refuse to work on Saturday or on Sunday. As a member of a family group in which there are constant bickerings and quarrels he may be unfit to concentrate on his job, or he may have developed a surly disposition which generates friction in the plant. As a member of a family group in which information about proper food is limited, he may be listless and inefficient during his working hours. It is with the worker's whole personality as moulded by the various non-industrial group experiences that we have to deal in this text.

The Individual and Some of His Groups

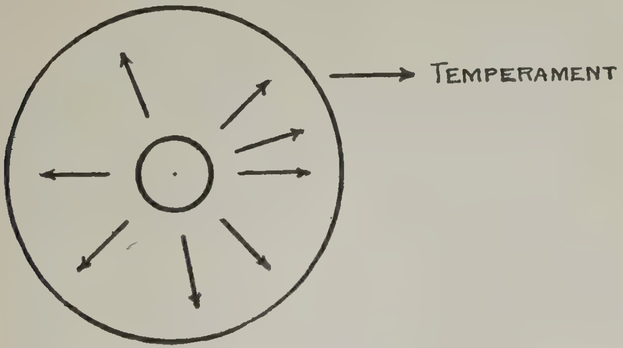


Quite the same thing is true when we reverse the proposition —the experiences in his economic activities and relationships modify his behavior in every other group. Fatigued to the point of exhaustion, a man may be unable to enter into family diversions and to be a real companion for his children. He may display no interest in intellectual things, and may be disposed to find recreation in the coarsest kind of stimulations. Or again, embittered by the loss of a strike, through the interference of the government to sustain order, we may have him refusing to vote and inclined to favor violence to accomplish his ends.

The worker and his wants.—This conception of a worker as a member of many groups serves the very useful purpose of giving us a snapshot of his relationships at any particular time. It does not, however, give us an insight into the very fundamental fact that his relationships to these various groups is a changing, "on-going" thing. Today he is a laborer, tomorrow a small entrepreneur. Today he is a steel worker, tomorrow a coal miner. Today he wants to become a union man, tomorrow he feels that he has more to gain by staying out of a union. Today he has work, tomorrow he is idle.

These ever-changing relationships can be readily grasped if we regard the life story of a human being as a long process of adjustment between the fundamental impulses with which he came into the world and the environmental conditions in which these fundamental impulses have taken their direction.

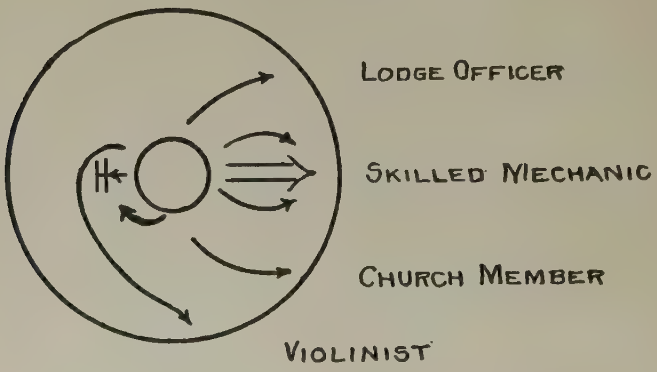
Man not born human.—"Man is not born human." This old saying is a common-sense recognition of the fact that the infants who come into the world are largely bundles of undirected impulses to activity. Some inborn organization of activities does exist, but Caesar and Roosevelt, the village mayor and the town loafer, to a great extent, come into the world on much the same terms. Although there may be aptitudes or potentialities, newly-arrived babies, of course, have no desire to be lawyers or preachers or football captains. A large part of the strenuous activities of the child are ends in themselves. Putting this idea into a chart, the baby appears as above.



The Baby (Arrows Represent Impulses)

By the example of father or brother or some big man in the community of whom he hears, the growing person imagines himself as a lawyer, preacher, engineer, or storekeeper. In the school group through which he passes he may desire to excel in athletics, scholarship, or debate. In his boy-scout group he may want to become patrol leader and eventually scoutmaster. In his church group he may want to become president of the Sunday-school class, or to establish a record for faithful attendance. We say that he is "expressing" himself, that his innate impulses are finding satisfaction. Thus the primitive impulses of the individual gradually become organized about certain major interests and minor interests in his social behavior, and we have such a picture as the following:

The Person (Mature)



It is worth noting that some of the arrows in the third chart do not point to the major interests of the individual; they stand for impulses which are blocked and suppressed. These unconventional visions and dreams are signs of the urgings in our nature which are ever present, and which refuse to lend the support of their energy to the narrow paths which maturity lays out before us. In order to carry on our lives successfully it is necessary to divert these wayward children of our original human nature to the support of our life purposes, or to block them entirely and let them escape in wild phantasies; otherwise, our scattered energies will render us incapable of that adjustment to the demands of social life which is the mark of successful manhood and womanhood.

An accurate diagram of a single human personality would multiply the arrows in every direction and emphasize the distortion. There would have to be arrows indicating desires to be well thought of by particular persons, to excel in music, to see a new country, to lay aside something for old age, to be talked about by people who will never be seen face to face, to secure a promotion at the end of the year, to get a raise in salary, to buy a new necktie..........

To the extent these various desires are fulfilled in the experience of individuals, there is harmony and the feeling that all is well with the world. But the variety of human wishes is so great, the means of gratification are in many cases so contradictory, that it is impossible for them to be completely satisfied. Wish conflicts with wish, and the world of experience conflicts with the world of wishes.

The significance of this inner struggle is that it gives rise to that sense of strain and uncertainty which we commonly speak of as unrest or discontent. Every human being knows what it is to experience that restless state produced by unsatisfied wishes, disappointed aspirations, and competing desires. In many respects the workers are placed under circumstances which tend, in a special degree, to arouse such restlessness.

Suppression of some interests necessary.—Organized human effort requires a singleness of purpose, a subordination of wayward impulses, a suppression of alternative interests which are foreign to the primitive nature of man. It was not necessary for primitive man to concentrate for hours upon some routine activity; only by centuries of discipline has the race evolved its present habits of sustained effort in self-conscious directions, and even today the strain of attention is wearing upon us all. What a relief it is when recess comes and the school-children can shout and play, for in that fashion they seek to work off the impulses which are suppressed in the hours of sustained effort. Work is an achievement of civilized man, and represents a highly "made-over" human nature. "All men are lazy" in the sense that the tendency to move from one thing to another without concentration is innate in the physical organism which we inherit. Since modern machine industry requires the rhythmic repetition of simple operations, it has tended to increase the "nervousness" due to the suppression and discipline of our original nature. The worker at the machine has a restricted opportunity to "work off" the tendencies which are repressed. Industry is often so organized that it places the workers under the direction of others who may treat them without consideration, or who may go to the other extreme and adopt a paternal attitude, which from the worker's point of view is equally undesirable. As an illustration of how well-intentioned activities may arouse opposition, the following case will be found in point:

"Several years ago the maker of Pullman cars decided to build a model community. He planned a city with spacious avenues and parks, with model churches, schools, concert halls, and attractive homes. Everything which money could buy was lavished on this particular locality. George Pullman thought that his workers were grateful to him and that they would live in peace and contentment in this town which he had so magnificently provided for them. His managers and superintendents carried to him stories of gratitude and content.

"Suddenly a strike broke out at Pullman. Hundreds of workers defied the Pullman officials and refused to work. I found that the descriptions which I had read of the physical equipment of the town had not been too highly colored. At the same time, I found the most discontented and bitter inhabitants that I had ever met. The burden of their complaint was not expressed in terms of wages or hours of labor nor any other physical standard. The worst grievance seemed to be voiced in the assertion that they were treated like children, not like men and women. The most telltale bit of evidence I discovered was the current sneer: 'We are born in a Pullman house, taught in a Pullman school, confirmed in a Pullman church, exploited in a Pullman shop, and when we die we'll be buried in a Pullman grave and go to a Pullman hell!' "[1]

Other unrest situations.—Then too, the workers are some times confronted with situations in which their accustomed necessities and comforts are not provided for. It is related that the extraordinary California hop crop in 1913 resulted in an unusual demand for workers, and often the ranches were not put in shape to take care of the number who were employed. On the Durst ranch the men, women and children who came to work found an inadequate supply of drinking water, practically no toilet facilities, and no provision for adequate lodgings, and although the hop pickers were not recruited from among the ranks of those who demand shower baths and leather upholstery, their sense of decency and comfort was outraged. Their accumulated discontent finally resulted in the mobbing of a superintendent.

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[1] Albion W. Small, "Americans and the World Crises," *University of Chicago War Papers*, Pamphlet 2.

Modern workers, who live on the whole in cities, are especially subject to the arts of display and advertising by which it is hoped to arouse new demands. Society's advertisers have learned how to foster unhappiness. The workers, besides, are frequently uncertain as to the future, and fearful of the consequences which it may bring. Periods of prosperity and depression follow one another, accidents are an ever-present menace, and death and old age are some of the particular worries of the typical worker whose income is restricted.

Courtesy of the California State Commission of Immigration and Housing.

A Hop-picker's Shelter

Unrest, criticism, leaders.—Within the bounds of any particular social group a few individuals feel the conflicting elements in the situation more keenly than others do. This may be because they possess more self-assertive dispositions which lead them to demand more than their fellows; and thus they come to "kick against the pricks" when their hopes are thwarted. Perhaps certain persons in the group have lived in circumstances in which they were treated with greater consideration, thus attaining ideals which are far in advance of those of their comrades. Educated men may read of better conditions existing elsewhere and acquire a standard of comparison which they apply to the situation in which they find themselves. Leaders are quick to use and give expression to their unrest.

However we may account for them, these leaders sense the conflicts and put their discontent into words. The most significant thing about thinking is that it is itself an activity which comes about when we are faced by a problem (a conflict). How many of us ever stop to think which shoe we ought to put on a particular foot until we happen to put on the wrong one? Or how many of us do more than memorize our exercises in mathematics, unless the answers are withheld and the operations are left for us to perform? Critical thought about the Pullman policy came when individuals were humiliated. Karl Marx, the founder of modern State Socialism, was compelled to cheat customers when he was a clerk in a store, and the conflict of moral values which this aroused caused him to think there was something fundamentally wrong about a system of organization which seemed to foster lying and to exploit the workers both as producers and consumers. Men of the speculative turn of mind have evolved the elaborate critiques of capitalistic society, and these criticisms have, in turn, inspired a sense of injustice (conflict) in the minds of thousands. Thus, unrest fosters criticism, and criticism fosters unrest.

The leaders who work out theories of what is wrong with the world also evolve complicated notions as to how the world ought to be set aright, and they frequently set to work to secure the co-operation of their fellows. Of course it is true that persons who join with the leaders rarely understand or care about the elaborate theories which the leaders have evolved. If the unrest of the rank and file is sufficient, they are in a mood for action in any direction that appears feasible, and the first plausible proposal which is vehemently supported by someone is apt to secure belief and support.

The purpose of our present study is to see how all of these forces are operating in the lives of American workers, and our attention will first be directed to the workers in certain important and typical occupations. When we have concluded a brief investigation of these specific cases, we shall be in a position to criticize the general theories about the worker's place in economic society.

Summary.—The workers in society are subject to various impulses and frequently find themselves in situations which arouse conflicts and unrest. The significance of unrest is that it may break forth into some new kind of activity. The restless workers may, on occasion, agitate and strike; they may organize in order to improve their status in society; they may launch out upon a program designed to renovate the very foundations of society.

Whenever a group is organized primarily for the purpose of changing things to its advantage and whenever its demands are taken as a challenge to the position of other social groups, it is spoken of as a "conflict group."

The workers at some times and places have crystallized their unrest about certain programs of organization, and these have taken the form of labor unions, labor parties, co-operative enterprises, and the like.

We are interested in discovering the typical conditions, if such there be, under which the workers are moved to collective action; and we want to find out whether certain typical conditions produce certain kinds of methods and policies. If we find such correlations it will be possible for us to predict with some assurance the behavior of the workers.

For Discussion

√1. "Debs is the greatest man America has produced." "Roosevelt was the greatest man America has yet produced." From these word patterns, how do you infer these men would act in the following situations: in a voting booth at a presidential election; at a meeting in memory of Karl Marx; in a conversation relating to government ownership of the railroads?

2. What, in general, is the significance we attach to words?

√3. Comment on the following points of view about human personalities: "You never can be sure about anybody's conduct"; "You can read some people like a book."

4. "Once a Westerner, always a Westerner." What is the specific meaning of this type of statement?

5. "Let a man talk five minutes and I can tell you his occupation." Can you cite any instances of this?

6. "The American boy wants to be President; the son of an Arab wants to be a chief." Suppose the American baby and

the Arabian baby were interchanged at birth. Would the son of American parents raised in an Arab family want to be President?

7. "Environment hath her children no less than men." Give specific content to this statement.

8. "Man is what his heredity makes him." Is there any truth in this statement? Is either this statement or the preceding one in complete accord with the facts? How true is either one?

9. Have you ever lived in or near a coal mining town? a lumber camp? a steel milling community? a farming village? a congested area in a large city? Do the workers in any of these areas possess attitudes in contrast with yours or each other? List them specifically.

10. What is the proper wage for a day laborer at the present time? Are the following people likely to agree as to what is the answer to this question: a day laborer? an employer? a teacher? a farmer who tills his land?

11. Should strikes be forbidden? Without attempting to settle this question, think of acquaintances of yours who would disagree on the answer. Can you explain why?

12. Compare the attitudes of a banker, a union man, a Democrat, a Republican, a Socialist, and a Prohibitionist on these questions: Should the United States own its own merchant marine? Should the United States have a high protective tariff? Should the eighteenth amendment be repealed? Do you discover any correlations between particular groups and particular answers?

13. How did you happen to suppose that a "banker," "union man," "Democrat" or "Republican" would answer as you said they would answer the preceding questions?

14. This book assumes that there are points of difference in the habitual beliefs and activities of men in gray suits and men in overalls. Does this mean that men in gray suits and men in overalls never agree on anything? Does it mean that all people in overalls agree with everybody in overalls? What does it mean?

15. From the standpoint of ownership how many of the following would you consider to be workers: stenographer, office boy, truck driver who owns the truck, truck driver who does not own his truck, attorney for a labor union who owns his home?

16. In the light of the discussion in the text, what is the most satisfactory definition of "a worker" which you can formulate?

17. Make a list of the ambitions of some persons whom you know. Can you trace the influence of the father's example, the example of the leading men of the community? any other factors?

18. What are the signs of general unrest in a community?

19. "Unrest is the price of being human. Our desires always conflict, and we must sacrifice one upon the altar of the other." Is this statement true of the following desires: To be a student and to be an athlete? To become an efficient business man, and to know Greek literature? To win a reputation as a great writer, and to have a home and family?

20. "In society at a given time, some groups are more restless than others." What are the restless groups in the United States at the present time? Are all the individuals in a group equally restless? What are some of the causes of unrest?

21. "The slaves who never dreamed of being free were contented; the modern worker has a tantalizing dream of something better." Was the slave more fortunate than the modern worker?

22. "If people are restless, they will seize upon any formula which sounds plausible. Sometimes it is a religious revival, sometimes Socialism, sometimes unionism." If true, how do you account for it?

23. Just what is implied in the following definition? "A conflict group is one which accepts a theory of its own interest and works to support it, even though it threatens the theory of a particular interest which is held by another group." Illustrate.

24. Do people always decide that which is best for themselves? Illustrate.

25. "People's interests seem to clash because they have incomplete pictures of what is for their best interest in the long run." Is this true of master and slave, cruel father and abused children, unkind employer and harassed workers? What kind of adjustment should be made in each instance in order to make interests identical?

For Investigation

Lippman, Walter: "Public Opinion."
An illuminating discussion of the origins of opinion.

Lay, Wilfred: "Man's Unconscious Conflict."
A popular presentation of the Freudian psychology which is at the root of the notion of conflicting impulses in human nature.

Dewey, John: "Human Nature and Conduct."
America's distinguished pragmatic philosopher interprets social changes in terms of conflicting habit systems.

Park and Burgess: "Introduction to the Science of Sociology." Chapter IX.
A brief exposition of the sociologist's conception of social conflict, together with illustrative materials.

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An attempt to apply current psychological conceptions to the analysis of labor problems.

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The most recent book in the field. Penetrating and scholarly.

PART II

AN APPROACH TO WORKING GROUP ATTITUDES

Before reaching the field of generalization we must construct an apperceptive mass of information regarding the worker, his work-life, and the industries in which he works. Whereas scant paragraphs are collected here, volumes and tomes solicit our further investigation.

CHAPTER II

THE COAL MINERS

Although coal is essential to our happiness, we rarely think of the men who dig it until they throw down their picks and we face cold and hunger. Then we are in no mood to sit down and seek to understand why half a million men refuse to co-operate in the production of a public necessity.

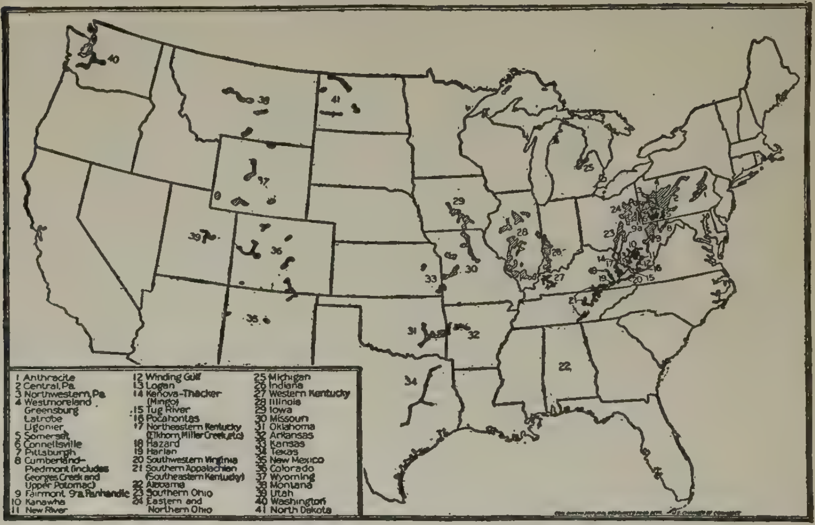
Our purpose here is to sketch the miner in relation to his work, his home, and his union. We are seeking merely to paint a picture of his job, his way of thinking about it, and his social life. After we paint the picture, we shall be more competent, perhaps, to arrive at a proper judgment when a crisis arises. We shall have made some progress toward understanding.

Obviously, it is impossible in one brief chapter to describe all the varying conditions within the thirty States in which coal is produced. What is true in one field may not be true in another; information about the industry comes from Congressional investigations, from the findings of national commissions, from the proceedings of conferences of workers and owners, from the reports of engineers on the industry, and from scores of personal observations. But merely reading what others have learned must not suffice for the student. If he lives close to a coal field he will want to check this general description by personal observation of local conditions. In any case he will need to seek further information, for the story can be but partially told here, and as conditions change, it will be necessary to revise it.

The significance of coal.—The accompanying map shows where nature has buried coal within the boundaries of the United States. The best grade coal (anthracite, or hard coal) is found in a little area of about five hundred square miles in eastern Pennsylvania. High-grade bituminous (soft) coal is mined in the field extending from western Pennsylvania, Ohio, and West Virginia south to central Alabama, and in the Illinois and southern Indiana fields. The coal of Kansas and Michigan contains less carbon than the coal from the best fields, and

Texas and Dakota coal is even poorer in quality. Large areas of hard and soft coal, most of which is excellent in quality, lie buried in the Rocky Mountains, but it is overlaid with so much rock that it is almost impossible to mine it.

Most of us are familiar with the uses of coal in modern society. Anthracite is used to heat homes. Bituminous is used in stoves and furnaces also, but its most important market is the railroads and factories; about one-fourth of the total output each year goes to the railroads. Aside from these uses, good quality soft coal is coked (non-carbon impurities burned out) and used in the manufacture of steel; its by-products are made into dyes and chemicals.


1 Anthracite
2 Central, Pa.
3 Northwestern, Pa.
4 Westmoreland
Greensburg
Latrobe
Ligonier
5 Somerset
6 Connellsville
7 Pittsburgh
8 Cumberland-Piedmont (includes Georges Creek and Upper Potomac)
9 Fairmont 9a Panhandle
10 Kanawha
11 New River
12 Winding Gulf
13 Logan
14 Kenova-Thacker (Mingo)
15 Tug River
16 Pocahontas
17 Northeastern Kentucky (Elkhorn, Miller Creek, etc)
18 Hazard
19 Harlan
20 Southwestern Virginia
21 Southern Appalachian (Southeastern Kentucky)
22 Alabama
23 Southern Ohio
24 Eastern and Northern Ohio
25 Michigan
26 Indiana
27 Western Kentucky
28 Illinois
29 Iowa
30 Missouri
31 Oklahoma
32 Arkansas
33 Kansas
34 Texas
35 New Mexico
36 Colorado
37 Wyoming
38 Montana
39 Utah
40 Washington
41 North Dakota

Courtesy of the Outlook and United States Chamber of Commerce.

The Coal Fields of the United States

All in all, the people of the United States require about 800,000,000 tons of coal each year to keep the stoves burning, the railway trains running, and the factory engines operating. Some idea of what 800,000,000 tons mean can be gained by considering the fact that if all of this coal were loaded in railroad cars of fifty tons each, and if these cars were coupled into trains of 80 cars each, they would make 200,000 trains. If one were at a railroad crossing and each minute both night and day one of these trains were passing, it would be necessary to wait four months and twenty-seven days for the coal trains to pass. Such is the importance of the coal industry in our civilization.

Coal-digging a dirty job.—At its best coal-digging is a dirty job. Dust plasters the pores of the skin, saturates the work clothes, hides in the ears and nose, and seeks a final resting place in the lungs of the miner. In the old days the miner carried the dirt home, as we learn from this story of the Welsh miner:

> "There is in every coal-mining home a chair that is occupied only by the head of the house 'himself.' It is 'his chair.' 'Himself' comes home from the mine, covered with coal dust. He stops without the door and washes his face and hands, then he comes in. But his clothes are full of coal dust and he sits perforce in one chair and no other. His 'old woman' insists that 'himself' sit there, so that he will not scatter the coal dust throughout the house. His bed though, is—well, imagine it!"[1]

Some of the dirt has been eliminated by the use of machinery and some of the mines today furnish wash houses. The older men, however, have difficulty sloughing off old habits, and many do not use the facilities of cleanliness. But the younger miners are not so opposed to change. Consider, for example, this worker's attitude:

> "Say, if I went home like I came out of the mine—all that dirt on me—my mother'd kill me! I can come to work like a white man in clothes that ain't a disgrace to anybody, and I can go home that way."[2]

Hazards in mining coal.—When at work, the coal-mine worker never knows when death will reach out and claim him. He must keep his ears alert for drumming sounds which sometimes foretell a fall of the rock over his head; on certain occasions he must pick his way cautiously, for a low pocket of gas may suffocate him; he must guard every flame if he is to avoid explosions. Six lives are paid for every million tons of coal we use. A single disaster may snuff out a hundred lives; one of these, the Cherry Mine fire in Illinois in 1910, cost 259 lives. The official report recounts many deeds of horror and heroism:

> "The mine manager, some miners, and some community storekeepers volunteered to help save the trapped men. This was the seventh time that the cage was lowered with rescuers upon it after the seriousness of the fire was realized, and each time they had

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[1] Paul R. Leach, "Improved Methods in Coal Mining," *The Chicago Daily News* 1920.

[2] *Ibid.*

succeeded in bringing up some men alive; each time those who ventured down encountered the smoke and came up almost asphyxiated. The fire was getting nearer and nearer the main hoisting shaft, but this last cage of men were doomed to meet their fate in a supreme effort. When the cage was raised eight of them lay on the floor of the cage. Their clothing was still blazing and their arms and hands were in convulsive postures, just as death had seized them and when they had tried to protect their faces from the awful heat. Four of the bodies were lying across the top of the cage where they had died in a frantic effort to climb away from the fire."[3]

The frequency of accidents, and especially of such disasters as the Cherry Mine fire, aroused public opinion to the hazardous nature of the coal-mining industry and resulted in increasing intervention of the Government on behalf of safety. To-day State laws commonly require two exits from a mine, electric gongs, telephones, fireproof shafts, automatic ventilating systems, and dozens of other preventive measures, and the Federal Government has established a Bureau of Mines to invent and popularize protective devices. In spite of these precautions, however, the death rate of the American miner is twice that of the European miner; and when he takes out an insurance policy on his life, he is compelled to pay a rate sixteen years above his actual age. This means that a miner taking out insurance at twenty-four years of age must pay the same rate as a man exposed to the ordinary hazards of life would pay if he took out life insurance when forty years of age.

Dirt and danger leave their stamp on people exposed to them but even more controlling is the very geography of the working places inside a mine. This has been pointed out by Carter Goodrich in a study of the industry:[4]

"In his isolation—whether in room or heading or pillar—it is clear that 'operations at the face,' as a vigorous critic of the industry points out, must very largely be 'left to the judgment of the miner himself.' . . .But how can the company afford to leave so many decisions to the miner? There are several answers: one modern one is that the company cannot afford it; but the chief and obvious answer is that the greater part of the immediate cost of any mistake falls not on the company but on the miner himself. The miner is a piece worker, paid usually by the ton, and a piece worker in an industry in which overhead is relatively small, so that it is his own living (as well as his life), and not the company's, that is chiefly affected by what he does or fails to do in the place. If he is clumsy in handling his shovel or his pick, or if he places his shots without due regard to the way the coal will naturally break, it simply means more work for the same pay. And if he goes home early or lays off for a day or two, the immediate loss, whatever the secondary effects on the organization of the mine may be, is borne by the miner himself.

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[3] "The Cherry Mine Disaster," Illinois Bureau of Labor Statistics, 1910, page 22. The catastrophe was due to inadequate fire-fighting equipment.

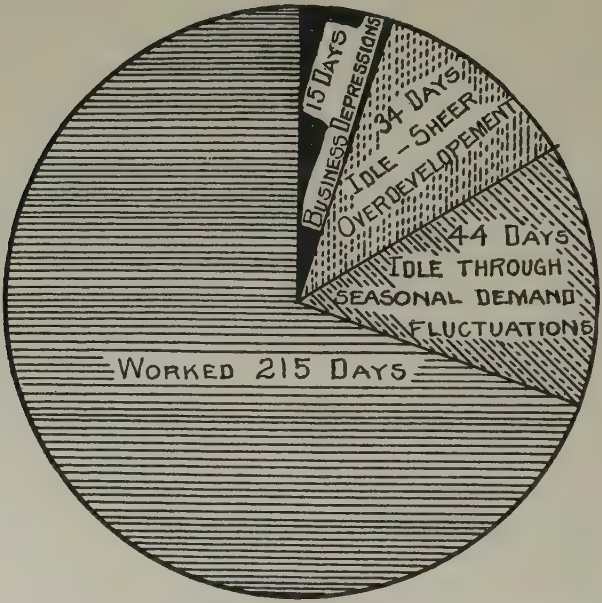
[4] "The Miners Freedom and the New Discipline"; manuscript in preparation.

"A similar informality prevails also in the bargaining over pay for dead work. The list of things paid for differs widely from region to region, and between union and non-union fields, and so also does the number of conditions for which payment is standardized and subject to little dispute; but in almost all cases there are many things left to the judgment and the haggling of the boss and the individual workman. As Mr. Archbald shows in his excellent analysis of the foreman's problem, 'he may be called upon,' for example, 'to guess how much should be paid for cleaning up a fall of rock although he never saw the fall and can only gauge his guess by looking at the place in the roof from which it fell,' and although he can do that 'only after it has been covered with timbering,' and Mr. Blankenhorn points out that in such conditions the men can sometimes capitalize their knowledge, greater than that of the boss, and bargain a day's pay for two hours' work.

"*The miner is an isolated piece worker, on a crude sort of craft work, who sees his boss once a day.* It is on these facts and their corollaries that much of the miners' freedom or the mines' undiscipline depends."

The miner an irregular worker.—Coal mining is not an all-year-round job. If it were, the existing rates of pay would give the miner a more comfortable standard of living. During the summer months the mines usually operate but 50 or 60 per cent of the time, since people do not want great quantities of coal in the summer months. Of the many workers who are thrown out of a job, some turn to farm work, gardening, or whatever, for the time being, can be done that will produce income. In the city when a certain factory has no orders, its employees can usually go out and work in other factories. The mining town, however, often has no other industry; the miner is likely to be hopelessly out of work. Many are consigned to loafing until the mine reopens. Meanwhile, the money, if any accumulated in the winter, is likely to be spent; and the miner contracts debts. When work starts, money comes again, but the high wage may be eaten up by debts.

Moreover, in the wintertime, when everybody wants coal, the miners often trudge through the snow to the head of the shaft, only to discover that work will last but an hour or two because railroad cars, into which coal is directly loaded, have not been provided. When cars and markets are right, the mines must operate to make up for the months of little production. Then daily and weekly wages are comparatively large.



The Coal Miner's Working Year Out of a Possible Total of 308 Working Days

Over-expansion a cause of irregularity.—The coal industry is greatly over-expanded. This fact not only causes much loss of time but also inflicts many hardships upon both the worker and the mine owner. Presumably, we never have had a time in which all mines and all miners were working at once, for example, at 100 per cent capacity. The nearest approach to this point, according to the United States Geological Survey, was on the Monday of the last week preceding the strike of 1919. The best time ever reached in a six-day week, according to the same authorities, was 86.8 per cent of full time—48 hours—in July of 1919. The mines probably have a capacity of 16,000,000 tons a week, or 800,000,000 tons annually; yet the greatest amount ever produced in a single week was 13,146,000 tons, while the total amount of bituminous coal produced in 1918 was only 579,000,000 tons. This condition of having capacity far in excess of even the maximum need, is responsible for an important part of the lost time in the soft coal industry.

The preceding chart shows how the American soft-coal miners have spent the working year during the period from 1890–1919. Of the 93 days lost, on an average each year, 15 of them were due to business depressions, 34 to over-development, and 44 because of the fluctuations in the seasonal demand. These figures are averages for each year taken from the data covering the entire period; so one might expect the figures for any given year to vary considerably from the average. The fact seems to be, however, that the losses due to seasonal demand and over-development are probably fairly regular. Those due to business depressions are present in some years and absent in others.

Time lost because of strikes.—The time lost because of strikes has often caused great concern, yet if the figures for a long period are averaged the time lost because of strikes is small. For the period from 1900–1919 the total number of man-days lost on account of strikes was equal to 124,747,199 or on the average of 6,237,354 man-days per year, while the total number of man-days lost during the twenty years for all other causes amounted to the high sum of 1,053,576,000 or on the average of 53,916,195 man-days per year. That is, of the total time lost by miners 10.5 per cent was due to strikes, while 89.5 per cent was due to other causes, chief of which were absence of market, car shortage, breakdowns in production and the peculiar administrative difficulties of each mine.

Marketing conditions.—Marketing conditions in the bituminous industry are very unsatisfactory. There seems to be a general lack of definite knowledge as to the costs of production. Over-expansion, which means that more coal mines have been opened and more coal is mined at times than the market can accommodate, tends to force producers into questionable market practices. Each dealer feels the necessity of acting for himself and with little regard for the industry as a whole. Very little effort has been made to solve the problem of irregular demand.

The reasons for irregularities in the bituminous coal industry may be summarized as follows:

(a) The industry is over expanded, thus causing capital to be unproductive and labor to be unemployed for many days in the year.

(b) Much time is lost through the seasonal character of the demand.

(c) The change in the business cycle which causes the demand for industrial coal to fall appreciably in the years so affected is a disturbing factor.

(d) Strikes, labor disputes, car shortages, etc., are important causes of irregularities in the industry at certain times.

(e) The marketing methods of operators lead to irregularity.

William Hard has commented upon the reactions of the miners to the irregularity of the industry as follows:

> "The miners accordingly have a keener and more bitter interest in the even distribution of work than any other class of wage earners in the country. To-day they see the mines closing down in certain months of every year to a point of very low productivity and little work. Then, even at other times, as well as in slack times, they see some mines working and other mines not working and therefore some miners having incomes and others having no incomes. And, finally, the wiser of them realize that this irregularity of work exercises an unwholesome influence on the character of some miners.
>
> "The irregularity of work gives some miners in the end an irregular temperament regarding work. They get accustomed to working by fits and starts and then they cannot bring themselves to work all the time even when the opportunity for working all the time is present. To cure the men of their acquired irregularity will take years. But the only way to cure it is to make the mines themselves regular and methodical, so that they will cease to operate on the fits-and-starts plan."[5]

The mining community.—Miners commonly live in isolated communities, crowded close to the shaft of the mine. About two-thirds of their dwelling places are company-built houses. Frequently, the model selected is a simple, box-like structure which, combined with the barren landscape, causes the whole town to assume a drab, monotonous appearance; yet these houses are an improvement over the houses of the older generation which were usually small and unsanitary shanties.

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[5] "The Mind of Labor," *The Chicago Daily News*, 1920, pages 11–12.

Practically every one is compelled to live within reach of the mine whistle, and within sight of the bleak piles of refuse coal called culm heaps. Moreover:

> "The population of mining towns often consists of people who are experiencing a transitional era. Many of them have been accustomed to living on farms, and they often bring along with them customs and practices that give rise to unsanitary conditions in a thickly settled community. Notable among these is the keeping of domestic animals. Animals may be kept with impunity on a farm where they receive proper attention and where everything is open and spacious and where the aromas of the barnyard are carried away by the great movements of pure air which come sweeping across the open country, but the circumstances are entirely different when a horse and cow, hens, hogs, geese, goats, rabbits, pigeons, and dogs are crowded together on a city lot of 50 by 100 feet, and when similar conditions prevail on 20 adjacent lots. It should be remembered that not only must the yard contain the patched shacks and coops for all these animals but there must also be room for the privy, washhouse, coal shed, outside oven, woodpile, and clothesline. Under these cramped conditions the odors from the animal offal, pigsty, privy, steaming manure heaps, chicken coops, kitchen slops, goose puddles, and soggy ground are confined, and if the settlement is in a sheltered valley, as is generally the case, a stagnant miasma will overhang the entire community. Added to this are such nuisances as lice, fleas, and other vermin."[6]

The conditions here outlined are very much improved today in many places; some companies have torn down their shacks and are building neat and sanitary houses. At Divernon, Illinois, for example, one hundred model homes have been constructed. Moreover, public sentiment, a growing tendency, perhaps, of operators to think that good housing may be one step toward good production; the slowly-rising standard of living of the immigrant; and other factors have combined to develop an opinion expressed by one mine manager:

> "The time is gone when it is possible to pack foreigners in boxes for houses; we must supply them with clean, homelike quarters, for neatness of the town tends to cheerfulness and to the contentment of employees. The operator must consider the welfare of his workers."[7]

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[6] United States Bureau of Labor Statistics, Bulletin 87, "Housing for Mining Towns," 1914, page 47.

[7] United States Bureau of Labor Statistics, Bulletin 263, "Housing by Employers in the United States," 1920, page 21.

The decline in the liquor traffic, the spread of consolidated schools, the extra prosperity and experience of the War have combined likewise to improve the conditions of the mining town.

Some light is thrown upon the health of the miners of an important State in the investigation made for the Illinois Health Insurance Commission by Dr. Hayhurst in 1918. He reports:

"Community medical facilities are no more than fair. First aid provisions at mines are good. Hospital facilities are very scarce. Local health administration is in a very bad way. Prophylaxis and preventive medicine is hardly known in most districts. There is great need of instruction also in the fundamental facts of personal hygiene. Most dissipations were found to be the result of a misconception of what constitutes recreation.

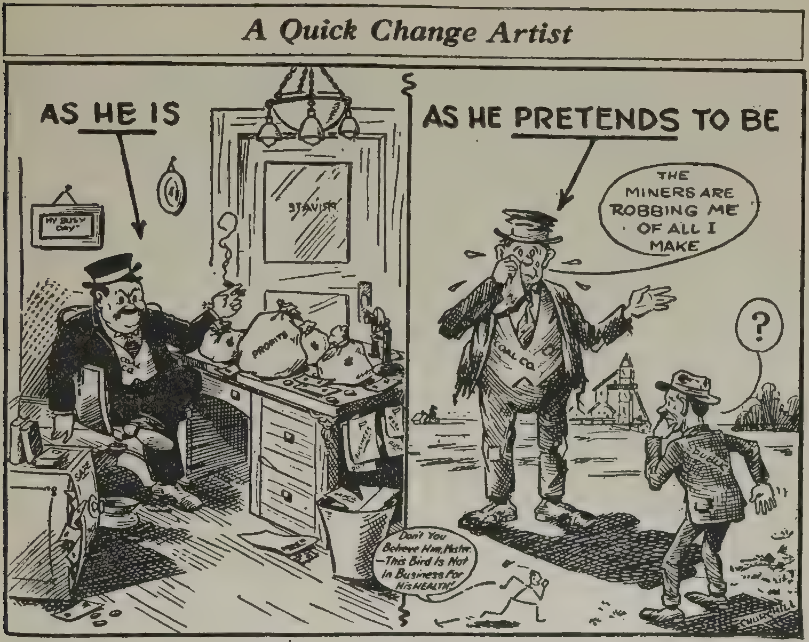
"Working conditions in Illinois coal mines are as good as, if not above the average found in most industries. While the mines are of deep character, they are dry, as a rule, with cool, even and invigorating temperature, and the State mining inspection system succeeds generally in maintaining a good quality of atmosphere in the mines. The laws and regulations when followed appear to be adequate, although undoubtedly minor amendments are constantly advisable. Practically all mines have wash-houses more or less adequate. A glaring omission is absence of latrines for workers about the top at a majority of the mines. A serious, common fault is the lack of examination of drinking-water supplies which miners use.

"Dust appears to be the chief health hazard which remains for the Illinois coal miner today. Physical strain, any evil effects of which could be frequently avoided if men were selected for their jobs by physical examination, causes a train of musculo-osseous and possibly circulatory afflictions of incapacitating character.

"Housing conditions, community neglect, bad forms of recreational hygiene and especially alcoholism, undoubtedly constitute the chief cause of most sickness. This whole situation is due largely to the inadequacy of the community health organization and prophylactic measures against disease.

"Rheumatism, asthmatic afflictions, and alcoholism constitute the chief forms of sickness."

The miner, living in an isolated community, is inclined to lack sympathy with the public at large; he feels deeply anything which looks to him like an injustice; his opinions on labor interests are seldom challenged because he meets mostly miners. His supreme confidence in the validity of his opinions as to wages, hours, and conditions of work makes it difficult for him to comprehend the outcry of the public when he strikes to enforce his ends. Local preachers and storekeepers and teachers dare not thunder against the strike; the "suffering public" is made real to him only through the newspapers, and not through firsthand experience. Thus he does not realize that although a miner's family has a direct stake in the outcome of the controversy, the family of a factory worker may object to freezing in the interest of an abstract "right of labor."


A Quick Change Artist
AS HE IS
"MY BUSY DAY"
STAVISH
PROFITS
COAL CO
SAFE
AS HE PRETENDS TO BE
THE MINERS ARE ROBBING ME OF ALL I MAKE
COAL CO.
?
PUBLIC
Don't You Believe Him, Mister. —This Bird Is Not In Business For His HEALTH!
CHURCHILL

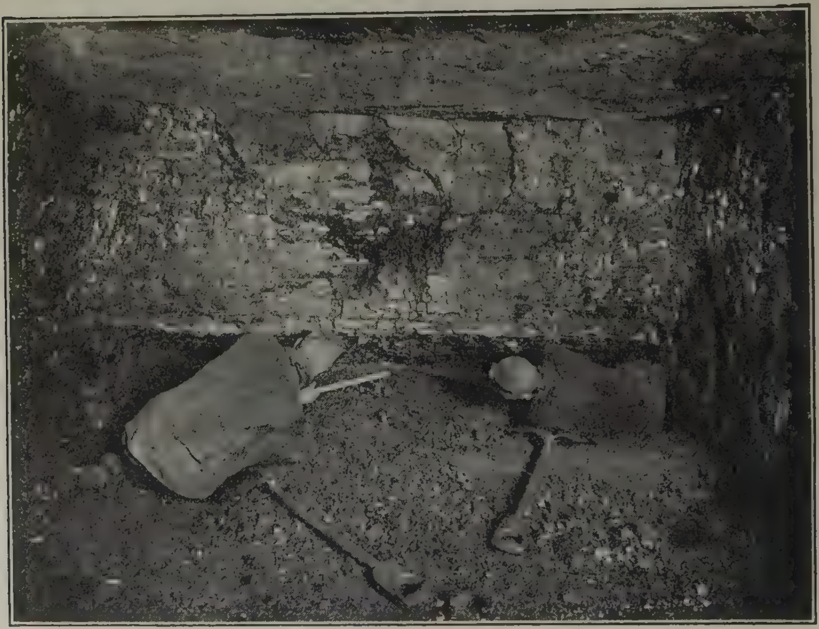
Courtesy of the United Mine Workers' Journal.

A Cartoon from a Union Periodical

The mine-owner in these days usually does not live in the isolated mining community nor send his children to the local school. The wives of the owners and miners do not meet. The picture of the owner which the miner has is built up by uncontradicted stories and suggestive cartoons in his union papers, together with whatever foundation of fact may exist.

The early pick-miner.—To account for many of the controversies, it is necessary to recall that the coal miner of forty years ago was a hand-miner. He was his own boss and proud of it. Usually, he came to America from England or Wales.

It was a time when the industry was expanding rapidly and labor was in great demand; consequently his wages and his standard of living, comparatively speaking, were favorable. He worked at nobody's machine; pick, tamping rods, and powder were his own. Years of work side-by-side with father or brother in England or in this country gave him skill; he could blast rock, undercut a ledge of coal with a pick, put timber in place to prevent the walls from caving in, and "turn" a room. The working pace was leisurely and holidays given over to hunting were numerous.



The Pick-miner at Work, Undercutting Coal

The coming of the machine.—Soon the mine operators began to experiment with machines to cut away the coal. They found these machines to be wonderfully efficient; two good mechanics operating a single machine could bring down more coal in a single day than many skilled pick-miners. Then the union came to the fore, set a machine "differential" and limited the loaders, all of which prevented cheapening the costs of production.

But the machines were invincible; their use has steadily increased even in the union districts until most of the coal is today machine mined. West Virginia, Alabama, and Colorado were not important coal producing states at the time the machine restriction was forced on the operators of Illinois, and to a less extent on the operators of Indiana, Ohio, and western Pennsylvania. When mines were opened in these new fields the operators fought bitterly to keep the unions out, and to the present time they have succeeded. Thus the bituminous industry is partly organized and partly not, and the operators of union mines have had higher wage costs and more rules laid down regulating machine running than the operators of non-union mines. This has made it difficult, at times, for the union operators to meet the selling price of non-union operators, and has also served to limit the wages which union workers have been able to secure in the organized areas.

The Machine Miner at Work, Undercutting Cross-cut with Compressed Air Puncher

With the coming of the machine there has been a considerable exodus of the Americans, English, Irish, and Welsh from the industry, though some of them have been retained as union offícals. Among the older generation of miners were such well-known Americans as Secretaries of Labor Wilson and Davis, who were formerly coal miners, and Mr. William Green, the

Secretary of the Miners' Union, who was at one time the majority leader in the Ohio State Senate.

The miner's union and collective bargaining.—Almost all of the coal miners in the coal mining States other than Colorado, West Virginia, Alabama, and parts of western Pennsylvania and Kentucky, are organized into an international union. All of those who work "in or about" the coal mine are eligible for membership in the union. This includes the unskilled immigrants who perform the heavy work of lifting the coal on the cars for transportation to the surface, the semi-skilled cage (elevator) men, and the skilled machine and pick miners, carpenters, teamsters; in all, thirty-nine different occupations are represented in the one union. Since such a union includes in its membership all who are workers in the industry, it is called an industrial union.

The miners early felt the necessity of calling out the entire working force during a strike. They came to recognize the importance of this method earlier than other workers because of their isolation and their community interests. Moreover, the permanent differences in skill among the miners were at first very slight. A miner's son might start out as an assistant to his father with the expectation of soon becoming a trained man. There was no tendency to keep the son out of the union; everybody's support was needed.

Central competitive market area.—After the strike of 1897, the miners of Illinois, Indiana, Ohio, and western Pennsylvania were represented by a committee that met with the representatives of the operators of these States to negotiate a contract covering hours, wages, and conditions of work. The four States named, compose what is called the "central competitive market area," and market conditions there determine the price throughout the industry.

Rates were first agreed upon for Pittsburgh, Pennsylvania. Then a "basing point" was chosen in the other three States, and rates were agreed upon which were designed to place those operators on an equal footing with the Pittsburgh operators. The miners and operators of each State next met separately and established rates for districts in the State which would equalize production costs with the State basing point. These collective bargaining negotiations would frequently consume many months.

Conditions prior to 1898.—Prior to the signing of the agreement in 1898, the conditions in the coal industry had been chaotic. During periods of prosperity each operator had attempted to secure more miners by offering high wages. During the periodic depressions, however, the wages of the miners were pushed down below a subsistence level. The operator hoped to secure stable conditions under the collective bargaining agreement, which ran normally for two years, and to enter into contracts with consumers for future delivery at prices which took into account a reliable estimate of the cost of labor. The miners likewise were tired of fluctuating income and differences in standards throughout the labor market.

From the standpoint of most of the miners and independent investigators the union had been a success. In the region around Pittsburgh, for instance:

> "The unions in the first ten years cut down the hours of work about 20 per cent, while earnings increased about 100 per cent. Ten hours was the working day at the outset of the decade, eight at the end. Many kinds of work, such as entry cutting, room turning, and removing clay which are incidental to the regular work of the miner, but for which formerly nothing was paid, now have a regular scale. This 'deadwork' has meant an addition of about 10 per cent to the miner's pay."[8]

Miners were paid on the basis of the weight of the coal left after the fine coal and slack were separated by screening; to-day they are paid on the basis of all they send to the top of the shaft. Union dues and fines are taken out of the wage of the miner at the paymaster's office and turned over to the union; and the miner cannot be discharged without adequate cause. The miners profess it is just that they be paid before the fine coal and slack are screened out, for it is all a part of the job of mining coal; the union officials insist that union dues and fines should be collected at the paymaster's office, because some miners would otherwise escape paying dues whereas all of them receive the benefits of the wages and the conditions of work which the unions secure from the employers; and the rule preventing discharge without adequate cause is defended on the ground that it protects the worker against the personal ill-will of a foreman or manager and prevents the operator from ousting the union through discharging active union men. The miners profess to be able to cite many instances like the following one:

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[8] "Wage Earning Pittsburgh," page 170, The Russell Sage Foundation, 1910.

" 'Well, I will get that fellow. There are two or three down there and I am going to wring their necks. There are a few there I am going to get rid of,' and the first chance he gets where a man fires a shot, and because of some fault, often a bad grade of powder furnished by the operators, he has blown out some timbers, it was an excuse to discharge a man."[9]

Many operators were originally in favor of the "check off" system because the old method of collecting union dues interfered with production. On "card days" the representative of the union asked every man coming to the mine to produce his card showing that he was paid up; if the miner had forgotten his card or was temporarily unable to meet the levy, he was sent home. Often the workers "forgot" to bring their cards—and took a holiday.

Non-union areas.—The standards which the unionized fields have been able to secure have been imposed to some extent upon the unorganized fields, because the owners of non-union mines have been compelled to better the conditions in order to attract workers and keep their labor from emigrating to union fields. Thus in a letter written by a manager of the non-union Colorado Fuel and Iron Company the following statement was made:

"We have spent a great deal of time, and studied with a great deal of care, all questions in connection with labor unions among miners and men employed by industrial corporations during the last two or three years, anticipating in time having to meet the demands of union labor."[10]

Wages in scrip payments.—In the non-union fields there persists to this day one of the historic grievances against which the workers revolted and started their organizations. This is the practice of paying wages, not in legal tender money, but in scrip which is redeemable in merchandise at the company store or in entertainment at the company theatre. With scrip in their hands instead of money, there is a tendency to extravagance which, as operators have sometimes frankly admitted, constitutes one of the reasons why the system is continued. The company store also has a practical monopoly in the neighborhood and it is frequently able to take advantage of its position to charge excessive prices. In times past it has been alleged that superintendents have "fired a man for buying two dollars' worth of sugar somewhere else" than at a company store.

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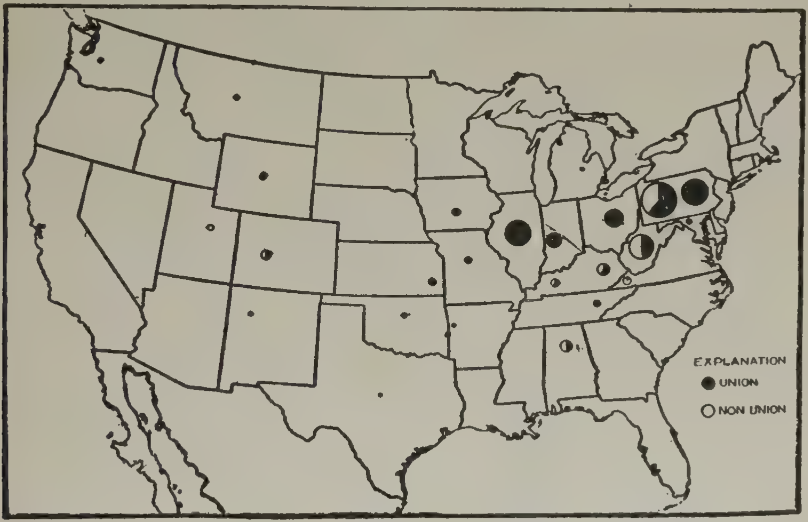
[9] "Proceedings of Illinois Joint Conference," 1910, page 76.

[10] United States Commission on Industrial Relations, "Report on the Colorado Strike," 1915, page 42.

Present organizing activities.—The United Mine Workers of America have made desperate efforts to unionize the largely unorganized workers of western Pennsylvania, West Virginia, Colorado, and Alabama. For the union the complete control of the labor market is of supreme importance. If its standards are borrowed by the non-union areas, there is the danger that the union miners will become unwilling to bear the entire burden of the organization; if industrial conditions are bad, the operators in non-union territory will be the first to cut labor costs and attempt to undersell the unionized producers. This was illustrated some time ago in the history of Colorado. One-half the State was unionized, the other was not; both sections competed in the same market. The attempts of the miners to



Courtesy of the Survey Graphic.

Fighting Strength of the United Mine Workers

Operators and union leaders disagree as to the strength of the union in certain districts, Perhaps the best test of strength was the way the several fields responded to the general strike call of November, 1919.

The circles on the map indicate the producing capacity of each state or district. The black segments show the proportion closed down during the week when the strike reached its maximum. The white segments show the proportion which continued to operate, Since 1919 the union has lost members in some districts, particularly in the region south of the Ohio. The anthracite region, shown by the solid black circle in eastern Pennsylvania, is almost completely organized though it was not affected by the strike order of 1919.

extend their standards throughout the market failed, and in order to protect their competitive position, the unionized operators were finally compelled to smash the unions.

The campaign in West Virginia.—The strategic importance of the fight for unionization in West Virginia is thoroughly understood by both the operators and the miners. The conflict centers in the West Virginia counties of McDowell, Mingo, and Logan. The United States Steel Corporation is one of the largest controllers of mining properties in this area. Its annual report for 1919 states that subsidiary companies own 53,736 acres of coking coal land and 32,648 acres of surface coal land. In Letcher and Harlan Counties, Kentucky, close to Mingo County on the south it acquired 15,662 acres in the single year, 1919. The United States Coal and Coke Company is the subsidiary which leases about 50,000 acres in McDowell County. The Norfolk and Western Railway Company is heavily interested in this Pocahontas field and is extending its interests in the Kentucky region.

On their side, the United Mine Workers have subscribed thousands of dollars and sent corps of organizers into the three counties for the purpose of arousing the miners to some concentrated movement against the operators. The unionists are, accordingly, the aggressors; the operators, the defenders.

The battle is being fought over two decisive issues. First, the coal operators of the locality will not employ a man unless he agrees not to join the union while in the employ of the company. These are the famous "yellow dog" contracts which, to the consternation of the unionists, were held to be constitutional by the United States Supreme Court. Second, the coal operators will not tolerate union organizers approaching their men to agitate for the formation of a union. The operators discharge anyone who has sympathy with union ideas. In addition, the operators evict from the company houses the men who are reported by spies in their midst to express themselves as anything but opponents of the union principles; and the operators have secured injunctions from the courts to restrain the United Mine Workers from attempting to unionize the locality. Furthermore, they have hired private detectives, who are sworn in as deputies, to keep union organizers out, peacefully, if possible, and violently, if necessary. United States troops at times have been used to preserve law and order, and thus they have come into conflict with the union men.

The miners have not hesitated to meet force with force. They come from nearby regions in which the tradition of the feud is not far beyond the memories of the living generation. Dramatic situations have marked successive crises in this battle for industrial supremacy which has been christened "Civil War in West Virginia."[11] The following is the story of the march of the miners in September, 1919:

"At that time the United Mine Workers of America were starting to organize one of the strongholds of non-union operators, Logan County. Its representatives were going into the county, and local miners were discussing the union with much interest. The operators were opposing these efforts. They were discharging men who joined the union. Deputy sheriffs on the payroll of the operators were putting union sympathizers in jail and assaulting them. Men came out of Logan County bruised and bleeding.

"Word spread abroad at this juncture that women and children were being killed. This was laid to the agents of the operators. The report lacked confirmation, but it was believed. Miners in the union fields of Kanawha County, especially in the Cabin Creek district, heard the report. Many of them had vivid memories of the bloody fighting between armed guards of the Baldwin-Felts Detective Agency and miners during the Cabin Creek Strike of 1912. They started to mobilize—to take the field against Logan County.

"On September 4, hundreds of miners assembled on Len Creek, ten miles from Charleston and thirty miles from Logan County. They trudged in over the hills and by the roads. Many of them carried guns. Five thousand miners had gathered by nightfall. There were no leaders. The miners were determined, apparently, to invade Logan County, but how they were to do this no one seemed to know.

"Union officials failed to stop the men and the governor was called. The governor came. As he approached the crowd a man thrust his head into the governor's automobile and said: 'Governor, is it true that women and children are being killed in Logan County?'

"The scene spread out before the governor was picturesque. It was now 10 o'clock at night. Thousands of men, bearing arms of every description were encamped upon the hillsides and along the bed of the creek. Fires gleamed out of the blackness. In the light of these fires gun barrels shone glisteningly.

"An ice cream wagon was the only platform available. Governor Cornwell mounted this and, with Mr. Keeney (union official) beside him, began to speak. Silence fell upon the miners. The governor begged them to disband. He told them that they did not know what tragedy their action might lead to. He said that if they would go home he would cause an investigation to be made of conditions in Logan County, and if women and children were being killed there, he would see that it was stopped.

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[11] See Foot-note, page 46.

"The governor produced an effect. As he stepped down a trapper boy whizzed his pistol over the governor's head and, with a whoop, shot into the air. Instantly 1,000 guns spit fire and bullets into the darkness. Keeney turned upon the trapper boy. 'Put up your gun, you fool,' he said. The trapper boy answered, 'Can't a fellow salute the governor?'

"The miners finally turned back. Had they gone on they would have met a force of several hundred recruited by the authorities and operators of Logan County to stop them. A battle would inevitably have been the result."[12]

The public and coal.—What is the attitude of the general public in the controversies raging between the operators and the union men? The pitched fighting at Cabin Creek (1912), in Colorado (1918), and elsewhere has shouted to heaven that there is need of bold and decisive action in order to protect the lives and property of citizens of the country. Should the unions be permitted to agitate for new members? Should the operators be compelled to recognize the union and put an end to the unnecessary loss of life which occurs from time to time and spatters every ton of coal with the blood of men? To these matters the public has been singularly inert. Colorado is a long way from New York; the hills of West Virginia are far from the prairies of the West. No immediate injury is threatened to the public at large by these battles. The public mind is confused by conflicting reports and it is not made up on the merits of the case. Congress investigates—only this, and nothing more.

With reference to strikes, the attitude of the public seems to be undergoing a rapid transformation. Once upon a time, coal strikes were local matters, and the general public was indifferent. And for many years the comparatively steady level of wages and the reasonable cost of living removed any substantial provocation for widespread industrial warfare. During this period the miners got a firm control of the largest portion of the national market. When, in 1919, the nation was faced for the first time with a practically universal coal strike, the public was startled. Cartoons depicted the hideous figure of a coal famine rushing to the assistance of a high cost of living thug who was shaking the money out of the pockets of a scrawny and much aggrieved public. People were afraid of freezing homes, shutdown factories, and paralyzed transportation service. Their daily habits were imperiled. The President of the United States condemned the strike and backed his attorney general in securing an injunction against the miners' union under a wartime law which was not supposed to apply to the workers.[13]

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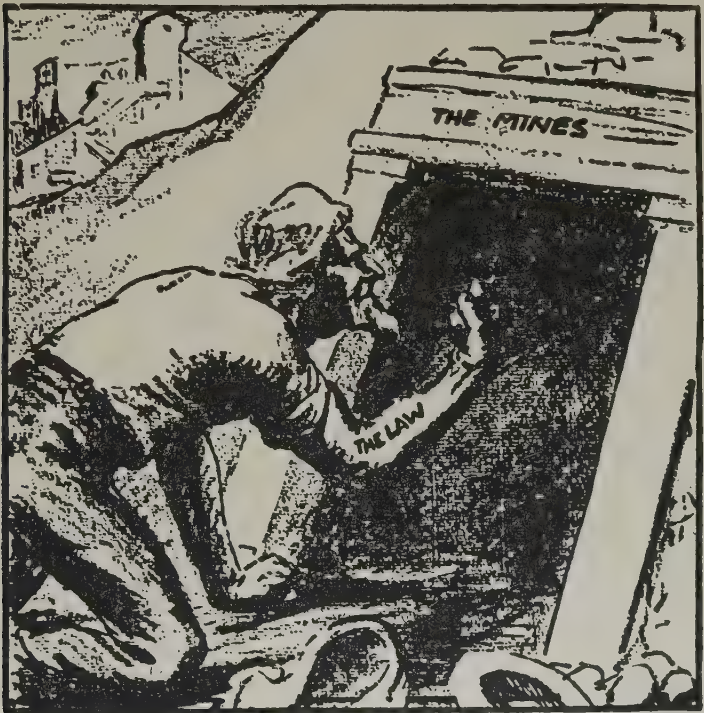
[12] Winthrop D. Lane, "Civil War in West Virginia," pages 105-8.

SOMEBODY ELSE CAN STRIKE, TOO!



Courtesy of the Baltimore American.

A Reflection of Public Attitudes During the 1919 Strike

Newspaper headlines cast the onus of inconveniencing the public upon the miners: "Miners Deny Wilson's Plea," "Urge Miners to Parley," "Lewis (Miner's President) Balks Mine Truce," "A. F. of L. Challenges U. S." A number of intemperate outbursts appeared in Congress:

"For weeks past this country has been on bended knees to organized labor which is striking or threatening to strike. For weeks past the government has been tearfully and imploringly begging and pleading with the bituminous miners "please do not strike," although . . . the majority of these 500,000 bituminous coal miners, if there be that many, are ignorant foreigners, most of them illiterate, unacquainted with our institutions and having no appreciation of the binding force of obligations and contracts, led by a few designing leaders and agitators who appear to want to plunge the country into industrial trouble and chaos, regardless of the consequences to the miners or to the public or the government, for some sinister purpose that appears to be behind their motives."[14]

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[13] See statement by Senator Husting on behalf of the administration in the debate on the Lever Act, U. S. Congressional Record, 1917, page 5904. (1 Session).

There was obviously more heat than light in this attack, but it voiced the impatience and foreboding felt by the consumers of coal. The strike finally resulted in an arbitration and a number of proposals for extended investigations. Nothing was done about the matter. Agitation for compulsory arbitration in some form or another appeared, and received at least a temporary incentive with the establishment of such machinery in the State of Kansas. In 1922 came another coal strike, this time in the early summer when the public was not in immediate danger, and again came the growing demand as cold weather approached for a settlement at all costs. A "fact-finding commission" was appointed and a solution of the coal complexus again delayed. These various matters serve merely to indicate the probability that if the public is sufficiently inconvenienced in the future, decisive action may be forced.

Forces working toward control.—Many schemes for putting the coal industry on a more efficient basis have been proposed, ranging all the way from government ownership to a more plentiful supply of coal cars. No attempt will be made here to deal with all the proposals; a few of the more feasible ones, however, will be mentioned and briefly discussed: (a) storage; (b) the use of coal at the mines for the purpose of generating electricity to be distributed by high tension wires; (c) the manufacture of coal gas and coke; (d) preferential coal rates by the railroads; (e) preferential prices by the mines in order to stimulate off-seasonal buying; and (f) the establishment of a Federal coal commission.

It will be noted that these plans aim to furnish an opportunity for more nearly continuous production by keeping the mines going, rather than to bring about any changes in the attitudes and habits of the mine workers themselves. However, it is believed that if the mines operated more regularly, much of the time now lost through the temporary absence of the workers and through labor turnover (losses and replacement in the working force) would be saved. These evils are probably largely incidental rather than primary. In fact, labor turnover in the mines is perhaps less than the average for the leading industries of the country.

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[14] U. S. Congressional Record, 66th Congress, 1 Session, 1919, page 7759.

It is estimated that when business is fairly active the annual demand for soft coal is approximately 528,000,000 tons, or an average of 44,000,000 tons each month. During six months of the year, the production is above the average for each month, while for five months the production is below the average. There is one month, August, in which it is estimated that the production equals the average. The storage idea has for its purpose cutting down the peak of production and filling in the valley occuring during the spring and early summer months. In other words, consumers of bituminous coal are to purchase and store their coal during the spring and summer against their winter and early spring needs. This seems simple and easy. Why hasn't it been done before? There are, perhaps, several reasons, the principal one being the danger from spontaneous combustion when coal in large quantities is stored improperly. Another reason is the expense of storing the coal. It is impractical to store coal at the mine; better leave it stored in the ground. If the dealer stores, he must charge an additional amount to pay for the increased expense. The consumer who seems to be in the best position to store, objects; why should he store, especially in view of the fact that he can usually get his coal when he wants it without any great additional expense from an industry developed to such an extent that it can, in ordinary times, handle the seasonal demand.

The other plans mentioned, the use of the coal at the mines for generating electricity or for making gas and coke, have for their main purposes the more efficient utilization of the energy in the coal and the furnishing of some relief to the overburdened transportation system. The first is a purely engineering problem which depends upon so many variable factors that no attempt will be made at this time to discuss it. The transportation problem would be solved if the storage plan should be adopted by enough of the large consumers. In fact, the transportation problem seems already to have sunk to its pre-war proportions which were never very alarming.

In trying to formulate a workable program for regularizing the coal industry, one must be careful not to become so absorbed in the irregularities of production as to lose sight of the fundamental characteristics of the industry and the lives of the miners. There is a whole range of intricate problems involving dirt, accident, isolation, ignorance, unionism, machine-operation, violence, and the rights and duties of citizenship. This is an industry which can not be tied down by any hard and fast scheme. The program of control must be highly elastic, so as to be capable of adjustment, not only to changing conditions but also to conditions varying greatly in their extent throughout the length and breadth of a continent. What the coal industry needs most is light, light in the sense of more accurate information in regard to methods of marketing, costs of production, profits, scientific methods, wages of workers, their conditions, their hazards, their satisfactions, their desires.

The miners' program of control.—In contrast with these suggestions, some of the mine leaders have been educating the rank and file to demand government ownership of the coal mines, and operation by a joint committee of the public and the miners. They claim that such a system would tend more quickly to regularize production and would have the additional advantage of stimulating workers to greater production because of their participation in management. The issue of ownership has come to the front during one or two full crises caused by labor difficulties, but on the whole, the program has enlisted as yet but a limited following among the public in general, or among impartial investigators of the industry.

For Discussion

1. Visit a coal mine in your neighborhood. Observe the time it takes the miners to go from the bottom of the shaft to the "working-place." Find out what safety devices are used. How many of the miners are pick-miners? How many are loaders? Look at the houses in which the miners live. How do they compare with those described in the text?

2. Try to make a list of the industries in your community which operate without the use of coal.

3. Do you remember the occurrence of a coal strike? What difference did it make in your mode of living? In that of others?

4. What was the local opinion as to the justice of the miners' cause?

5. "Coal mining is a dirty job." Granted. Can it be avoided? Can nothing be done about it? What difference does it make if it is a dirty job?

6. "A farmer's job is dirty." Why should miners complain?

7. "The dirty man doesn't like education and the wholesome things of life." Is this true?

8. What are the effects, if any, of ever-present danger on the miners? Is it a matter with which the family is likewise concerned?

9. How did the Cherry Mine Disaster influence public opinion? What resulted?

10. A careless miner is injured in the mines. Should he have a right to compensation from the operator, or from the government, or should he bear the loss alone?

11. In the text you read that the various State governments were requiring certain safety devices to be used in the mines. Why should the State concern itself with safety devices?

12. A coal operator once said, "I would like to put certain safety devices in my mine, but I can't. If I add to my expenses, other operators will be able to sell their coal more cheaply than I can, and I may have to close down." Explain why this man's statement might be true.

13. What evidence do you find that employers are becoming more considerate of the coal miner?

14. A miner sometimes gets $12 a day. Does that prove that he is well paid and prosperous?

15. "If miners would only save their money when the envelopes are full, there would be less suffering when work is not plentiful." Why don't they?

16. What do the miners do during slack seasons?

17. What is the effect of irregular work on the miner, on the miner's family, on the local storekeeper?

18. "The coal industry is over-expanded." What does such a statement mean to you?

19. "Irregularities are caused by the railroad companies as well as by other factors." How could this statement be true?

20. "The miners don't want to work the year around. Even when work is available, they often refuse to work." Comment.

21. Who is responsible for irregularity—the worker; the manager; the consuming public; or the railroads?

22. "Many coal-mining communities are unsanitary." If the coal miner doesn't object, why should we be concerned about it? What evidences do you see of interest on the part of the management in the improvement of the mining community?

23. "Coal-mining is an illustration of what is known as absentee ownership in industry." Is this of any significance? Contrast in your mind the difference in the work relationship between a coal-owner and the coal-miner, with the highly personal relationship between a farmer and a farm-hand employed throughout the entire year.

24. "During recent years there has been a constant displacement of English, Scotch, and Welsh miners by unskilled immigrant workers coming from the Southern European countries." Isn't it desirable to have our heavy and disagreeable work done by these latter classes?

25. How do you account for the fact that miners have evolved a strong union organization, whereas agricultural workers, grocery clerks, telephone girls, and school teachers are, on the whole, unorganized?

26. Would you be in favor of a union if you owned a coal mine; if you were a pick-miner, a machine-miner, a loader, a coal buyer, a consumer of coal? Tell why, or why not, in each case.

27. Why do coal miners seem to have a grotesque conception of a coal operator?

28. "The restrictions which have been placed upon the use of the machine have tended to make the price of coal higher

than it would otherwise be." Might such a statement as this be true? Why or why not? From what point of view could a higher price be justified under these circumstances?

29. "The mining of coal will always be a seasonal industry, for people will not buy great quantities during the summer months." Comment.

30. "If the mining of coal were regularized, a hundred thousand fewer men could equal the present yearly production." Can you think of any device which might lead to regularized production? If a hundred thousand fewer men could mine the necessary supply of coal, what is to become of the surplus men? If householders and manufacturers could buy coal considerably cheaper in the summertime, do you think they might store coal for the winter consumption?

31. Why do the mine unions tend to favor government ownership of coal mines? What elements in the community oppose it?

32. Was there any news in to-day's paper about the coal industry? Has there been any within the last week? What is its significance?

33. When does the next contract between the miners and operators in the central competitive area expire? Talk to a local coal dealer to learn about the present situation in the industry.

34. Find out the number of miners in each State. (See the Report of the United States Geological Survey on last year's coal production). Write the number on the map in the text within the area of each State. Find the number of union miners in each State. (See the proceedings of the last convention of the United Mine Workers). Mark these figures in the appropriate State. What do these figures show about the comparative strength of unionism in the various States?

35. Why did the miners and operators sign a collective agreement after the strike of 1897? To understand this matter further, read A. E. Suffern, "Conciliation and Arbitration in the Coal Industry."

36. What are the unionized areas of the coal fields? Why are the other areas non-union?

37. Why do the miners try to unionize the non-union fields? Why are they resisted?

38. "One of the reasons for the coal tie-up of 1922 was the fact that we Illinois operators could not pay miners $7.50 a day when other operators in West Virginia were paying $3.50. Don't blame us, blame competition." Doesn't this statement sound reasonable? What does it suggest?

39. What is the "check-off?" Of what importance is it to the union? Why did operators agree to it in the first place?

40. A union miner cannot be discharged without a right of appeal. Does this violate the employer's right to manage his business as he sees fit? Why do the miners insist on limiting the right to "fire" a man?

41. Why were the unions organized when they were? How effective have they been in furthering the interests of the workers?

42. Do you see any advantage in a collective bargaining agreement? What disadvantages do you see?

For Investigation

Archbald, Hugh: "Four-hour Day in Coal."
A discussion of the actual working time in coal mines and problems of reconstructing the industry.

Roberts, Peter: "Anthracite Coal Communities."
A pioneer study in the social background of the workers.

Suffern, A. E.: "Conciliation and Arbitration in the Coal Industry."
A convenient summary of the history of unionism and collective bargaining.

Lane, W. D.: "Civil War in West Virginia."
A journalistic account of contemporary conditions in the unorganized counties, written by a competent observer.

West, G. P.: "Colorado Coal Strike," (Report U. S. Commission of Industrial Relations, 1915).
Full of specific material bearing on industrial warfare.

Mining Congress Journal, Black Diamond, Coal Age.
These are publications for the mine operators and should be read to secure their viewpoint.

United Mine Workers' Journal.
This is the official paper of the U. M. W. A. and gives the unionist view of conditions.

Proceedings of the Conventions of the U. M. W. A.
Published after the biennial conventions by the Indianapolis office.

Proceedings of the Joint Conference of Coal Operators and Coal Miners of western Pennsylvania, Ohio, Indiana and Illinois, published after such negotiations.

These last two references will give an insight into the actual working of unions and of collective bargaining.

Chapter III

STEEL AND MEN

What first grips the imagination about the steel industry, is a certain romance, a glamor which is inherent in its very size. Steel gives us surgical instruments, clocks, nails, saws, machines, sky-scrapers, automobiles, railroads, bridges, and makes possible almost every product we can name. It is in this industry that there has developed the hugest of America's trusts, the United States Steel Corporation, that final word in financial integration and specialized production. Steel is, in a very real sense, the Atlas of our differentiated civilization, the framework upon which economic development has been able to pyramid. Hardly less striking than the sweep of such facts is the first impression of the mills—a net-work of railroads, puffing locomotives, ore-vessels, immense unloading cranes, other mechanical giants straining within the great buildings; while over the grimy city of industry hangs a low ominous cloud of coal smoke. There is an undeniable fascination about steel.

This first impression, though it has done little toward understanding, has at least suggested a real problem for study. We shall be especially interested in one factor of that problem—the steel worker. In what sort of industry does he labor? What does he think of his job, his fellows, his employer, the government? Why does he think as he does? We cannot answer by hasty generalizing, for very many indeed are the elements causing that complex attitude which we shall call the "spirit of the workers."

Mechanical and human forces in steel.—First we need to know what is going on inside these big steel-framework sheds. What are the men and machinery really doing?

Inside, the picture is impressively that of little men and mechanical monsters. Opposite the entrance, a row of furnace doors, like burning suns, ward off any closer approach with an outward rush of heat, but viewed through the workman's colored glasses, the inside becomes a lake of molten steel, tons and tons of the white-hot liquid. Then a shrill whistle, and we hastily retreat as, with a grind and roar, the charging machine, a giant some forty or fifty feet in length, comes along the tracks and dumps some more odd tons of scrap into the fiery belly of this open-hearth furnace; more rattling and clanking as the

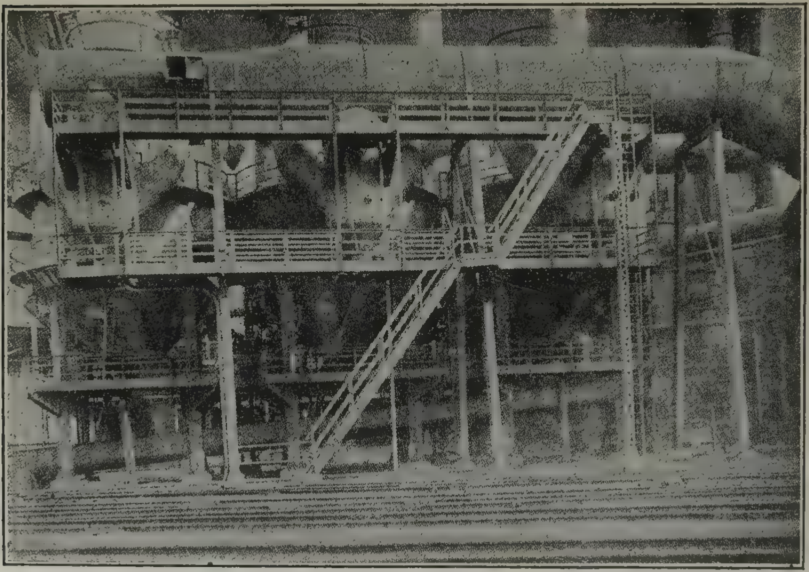
POURING INTO INGOT MOLDS

Courtesy of the Inland Steel Company.

Men and Machines at Work

hulk retreats; another piercing whistle warns as a mammoth electric crane, swinging overhead, rolls the length of the shed carrying its load of a hundred tons as if it were a trifle.

No attempt can be made here to give more than the vaguest idea of what a large steel mill is. There are mountains of ore; blast furnaces towering a hundred feet in height; Bessemer converters, which change iron into steel, shooting cascades of steel sparks across the building or belching out tongues of flame fifteen feet long; huge rollers which take big white-hot ingots of steel and fashion them into slabs, bars, sheets or rails—according to the will of the pigmy man by their side. Everywhere highly specialized processes, operations on a grand scale, immense machines, the marvels of invention, that dwarf the men beside them into Lilliputians; typically and overwhelmingly, it is a machine industry, specialized and gigantic.



Courtesy of the National Safety Council.

Back of the Blast Furnaces

The tale of the evolution of this industry we leave to the reader to seek. It is enough to say that this development is the result of time and consummate engineering skill, marshalled very largely by the untrammeled use of capital.

The figures of steel production are as amazing as its machines. The United States Steel Corporation produces about 40 per cent of the steel in the United States, which in 1920 amounted to 24,532,646 tons in pig iron, 19,277,960 tons of ingots, and 14,288,502 tons of rolled productions. The assets of this company total over two billion dollars; normally it employs in its manufacturing plants about 190,000 men, representing families numbering nearly a million. Now, if all these figures are multiplied by a factor of two or two and a half, some idea of the size of the industry is obtained, and the scope and importance of steel in business and society may be partially inferred.

No one, surely, will deny that this is a magnificent industry. Aren't the workers proud of it? Aren't they proud of their employers who have made steel what it is? Aren't they, too, fascinated by the challenge of the game, a real man's job? Strangely out of harmony with such assumptions is the great steel strike of 1919 with its thousands of men out of work, armed guards, live-wire barricades, and the cry, "Steel is a man-killer!" Why these? Because there is a human as well as a mechancial element in steel. Alongside the spectacular machines men must work and so we must ask: What is the nature of their tasks? Are men safe as to life and limb? What hours do they work? How many days a week? What pay do they get? Are they organized? What is their relation to their fellows? What is the attitude of management toward the men? What is the spirit of the workers? In searching for the facts to answer these questions we shall gain a profitable acquaintance with the steel worker and with his point of view, which may be as fundamental as the facts.

In many departments of the mills one is impressed by the scarcity of workers compared with the magnitude of the operations; yet men as well as machinery make a real contribution to production. In 1920, the United States Steel Corporation paid over half a billion dollars for their services. Of these workers, it was estimated in 1919 that 30.4 per cent were skilled, 31.5 per cent semi-skilled, and 38.1 per cent unskilled. In the first class are mostly Americans who perform those tasks requiring ability and long training; they constitute the group from which the future foreman will be selected. At the bottom of the scale are the unskilled, usually foreigners or negroes, most of them ignorant, who perform the hardest and most distasteful manual labor. Both these classes, the two extremes, are numerically on the decline owing to the rapid evolution of machinery which supplants the technique of the one and assumes the heaviest burdens of the other, thus creating a middle class of semi-skilled and unskilled workmen who possess only sufficient training to pull the levers of the semi-automatic machines.

But we must see these men at work. Out in the plant some of the common laborers are in the pit cleaning up hot slag and iron which has slopped over in pouring, doing hard, dirty work in oppressive heat. Others are tending the furnaces. According to an open-hearth laborer's diary:[1]

> "You lift a large sack of coal to your shoulders, run toward the white-hot steel in a 100-ton ladle, must get close enough without burning your face off to hurl the sack, using every ounce of strength, into the ladle and run, as flames leap to the roof and the heat blasts everything. Then you rush out to the ladle and madly shovel manganese into it, as hot a job as can be imagined."

Other men we see in the huge mills with the heat of the great red ingots stinging their faces; still others with wooden soles an inch thick fastened to their shoes hurry over the partially cooled sheets of steel marking them for the cutting which follows.

Cases of this kind, however, can be magnified beyond their due proportion unless placed in a proper setting. There is undoubtedly much hard work to be done in the steel mills even today, but in some of these jobs the work is intermittent, an hour of trying labor and then an equal period of rest or sleep. Moreover, modern machinery has lifted some of the burden from the shoulders of the men, so that much of the work consists in simply pulling levers or watching machines. The conditions are not wholly lamentable, and when one is accustomed to the scale of the operations he realizes that the machinery is doing much of the heavy drudgery, that progress has and is being made in this direction.

Occupational diseases.—But the legacy of this same development has been a terrific din of machinery and an unremitting nervous strain in handling the mechanical devices with due care and precision. According to Mr. Fitch:

> "When I finally began to make inquiries I found that among the men I met, partial or slight deafness was quite common, and that they all attributed it to the noise. This noise also has an effect on the nerves, which is intensified by the constant vibration of the machinery, a strain more wearing on some of the men than the work itself.

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[1] *Interchurch Report*, page 64.

"The prevalence of nervous strain is a matter not to be lightly turned aside. . . . Where the strain upon the body has been lessened, responsibility has in most cases grown more tense, with consequent increased demand on the nervous energy."[2]

No broad inferences must be drawn from such statements, however, because, though they be true of some processes, there are limitations and exceptions in the fields to which they apply. There are numerous jobs in the mills in which the strain of the task cannot be made a subject for criticism. In other cases, nevertheless, Mr. Fitch's inferences are all too true.

Then there are the occupational diseases to be risked by the worker. The air of the steel mills is always full of a fine metal dust, which can easily cause an irritation of the air passages resulting in catarrh or even tuberculosis. The death rate from lung diseases among steel workers is estimated to be one-third above average of workers in industry as a whole. In addition to the immediate discomfort of the great heat on some jobs are the other indirect dangers to the worker. He sweats excessively; he drinks water in corresponding measure. This tends to unsettle the proper equilibrium of the blood and adds to the effect of the usual exhaustion in weakening his vital energy and hastening general debility. Then as he goes from the sweat of his work to the chill air outside, unless he observes the greatest care, he is an excellent prospect for influenza, and throat, bronchial, or pulmonary troubles.

Accidents.—Not the least among the risks of the steel worker is the risk of accidents. The frequency and causes are listed below.

Accidents per 1,000,000 Hours Exposure

	1918	*1919*	*1920*
Machinery	4	3.3	3.3
Cranes	2.2	1.9	1.9
Vehicles	1.3	1.2	1.1
Hot substances	3	2.8	2.4
Falls of persons	2.8	2.8	2.5
Handling of tools and materials	12.8	11.7	10.4
Other causes	4.6	4.1	3.1

The steel industry will probably never be a safe place to work as long as the human mind and hand control the great machines that seem always straining to get away and yet must be governed with great precision if accidents are to be avoided. Add to this unavoidable element of error in human control the fact that many of the operators are not skillful, that some of them labor under trying conditions, and that the strain of the work often extends over long hours, and the inevitable consequence is accidents.

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[2] John Fitch, "The Steel Workers," page 58.

These mishaps to life and limb are often of a peculiarly impersonal nature. The scale of machine operations is so gigantic and the men in comparison so small and thus so easily injured, that when something goes wrong, who's to blame? A glance through the last table will help one to appreciate how, from some of these causes, accidents could "just happen," but the following quotations will serve to make the point clearer.

"The electric crane is under surveillance. Watch this invaluable monster at work. See him pick up one set of massive rolls, carry it off, and bring back another to take its place. See him reach an iron hand down into the red depths of a soaking pit, pull out a glowing ingot, carry it away and place it carefully on the roll-table. See him gather up a great armful of finished steel plates and bear them out to be piled or loaded.

" 'A strong, swift, intelligent servant,' says Industry. 'What complaint have you to make against him?'

" 'In one county of one State of our Union he killed 42 men in a year.'

" 'Yes—I grant you, he is a little destructive, but we couldn't possibly get along without him.'

"The crane 'hook-ons'—the men on the ground who arrange the chains, and hook and unhook the load—run greater risks than any other men connected with the operation of cranes. The hook-on must stand by, to steady the load and keep the chains in position until the crane has actually begun to lift and the chains to straighten. There are three dangers, therefore, for the hook-on: the load may slip out as it is being raised and crush him; it may strike him as it swings; or a chain may break and let it fall. Similar dangers are involved in unloading the crane.

"When a hook-on is killed by a load slipping from the crane chains, the accident is always laid to his carelessness in fastening the load. But the justice of this is questioned. An engineer told me that it is next to impossible to insure a grip of the load under the thousand and one conditions which obtain, particularly in the handling of irregular shapes. On our list four hook-ons were killed in this way; once it was a heavy roll that slipped, once the side of a steel car, twice a load of steel bars or angles. Each of the men thus killed was a common laborer and a Slav.

"Accidents to those who load cranes are very common, even when the load does not fall. Four men struck by the load just as it was being lifted by the crane were instantly killed. Another was killed while using a crane to load ingot molds on a car; he was standing on the car to unhook the chains from the last mold as the crane lowered it into place; a jerk of the chains at the wrong moment toppled the mold over upon him. Two men were killed while loading a car with steel billets by means of a crane. In each case the car was suddenly moved, without warning to the laborer in it, and he was knocked down and killed by a load swinging from the crane just above the floor of the car. Both accidents happened at night. In one case it was stated that the yard was dark. Both the men killed were foreigners, one of four months' experience in a steel mill, the other on his first night's work. Another hook-on was killed while standing behind a hand-car waiting to unhook the chains from a descending load of scrap. The scrap landed too near the end of the car, the car tipped, shot out from under the load, and ran over him."

Courtesy of the National Safety Council.

A Blast Furnace Worker

C. R. Walker, a college graduate, who worked as a common laborer in the mills described an experience in the "pit."

" 'Look out now, Zee,' said Fritz, pointing upward.

"Almost over our heads was Number 7's spout, and, dribbling off the end, another small rope of sparks.

"We fell over each other to the pit's edge, stopping when we reached the tracks. Looking back at once, we saw that the stream had thickened, like the other in the slag-hole. But here it was molten steel, with a long drop of thirty feet. The rebound of the thudding molten metal sent it off twenty-five or thirty feet in all directions.

"The stream swelled steadily, till it reached the circumference of a man's body, and fell in a thudding shaft of metallic flame to the pit's floor.... It was a spectacle that burned easily into memory.

"The gang of men at the edge of the pit watched the thing with apparent enjoyment, and I wondered, slowly, two things: one, whether anyone got caught under such a molten Niagara: and two, whether the pit was going to have a steel floor before it stopped....

"My companions told me about another occasion, some years before, when molten steel got loose. It caught twenty-four in the flow—killed and buried them. The company, with a sense of propriety, waited until the families of the men moved before putting the scrap, which contained them, back into the furnace for remelting."

Some of the dangers of the mill can be avoided by reasonable precaution, but these accidents which are of such impersonal character are especially hard to deal with; their causes are difficult to determine, much less eliminate, and due care exercised by the worker affords but little security for his own person against them.

Still, while weighing the risks of the worker, in justice it should be pointed out that accidents are being constantly reduced by the safety-first programs of management; that there is this offsetting element of accident prevention and safeguards, which offers considerable, though by no means complete, protection to him who will avail himself of it.

Wages of the steel workers.—Thus far we have seen some of the tasks the workers meet, some of the conditions of labor, some of the industrial risks to be undergone. For his contribution to steel, what wages does this man get? The Interchurch World Committee reported that in 1918 the United States Steel Corporation's wage and salary budget "for the manufacturing properties," $344,907,626, went to 198,686 employees as follows:[3]

60,486 skilled (30.4% of all) got 41.6% or................	$143,581,571
62,675 semi-skilled (3[illegible].1% of all) got 30.6% or..........	105,531,733
75,807 unskilled (38.1% of all) got 27.8% or.............	95,844,320

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From the United States Steel Corporation's report of 1921[4] these figures are taken:

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[3] *Atlantic Monthly*, May 1922, page 92.

[4] *Commercial and Financial Chronicle*, March 25, 1922: "United States Steel Corporation Report of 1921."

Employees and Payrolls

	1920	*1921*
Workers on manufacturing properties	200,991	133,963
Total workers	267,345	191,700
Total payroll	$581,556,925	$332,887,505

Average earnings per day	*1917*[5]	*1918*[5]	*1919*[5]	*1920*	*1921*
exclusive of general administration and selling expenses	$4.10	$5.33	$6.12	$6.96	$5.61
Inclusive of such expense	4.16	5.38	6.17	7.00	5.73

Average wage in manufacturing properties, October, 1921	$4.40
Average wage in all properties, October, 1921	4.60

An interesting light is shed on these figures by the Interchurch World Report,[6] analysis showing that the misconception of steel as a high-wage industry arises from:

1. The existence of a very small, highly-skilled, and highly-paid body of American workers prominently visible at the top of the industry.

2. Failure to realize that the amounts earned by the lower skilled (the bulk of the labor) are determined chiefly by the extraordinarily long hours rather than by a high rate per hour.

Although there may be basis for these criticisms, still the consensus of opinion of those qualified to judge hardly agrees entirely with such assertions. It rather holds that, in comparison with jobs in other trades requiring equal skill, steel labor is paid good wages.[7]

The twelve-hour day.—Standing predominant among other sources of dispute, the twelve-hour day is an issue in steel. While other American industries have adopted shorter hours, while England, France, Germany, Sweden, Italy, Belgium, and Spain have eliminated the long shift, in the United States the twelve-hour day has remained entrenched. The majority of the steel mills still claim it is necessary to remain committed to the practice of the two-shift system for labor.[8]

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[5] Report on U. S. Steel, *Moody's Industrial Investments, 1922.*

The latest available figures on wages are from the same report.

[6] Page 90.

[7] See E. W. Young, "Comments on the Interchurch Report on the Steel Strike," pages 32–42.

[8] Mr. Gary has announced as this book goes to press that the United States Steel Corporation will abolish the twelve-hour day by degrees as soon as it is possible to do so Thus, another producer is abandoning the two-shift system.

Not infrequently the twelve-hour day has been aggravated by a seven-day week and a twenty-four hour turn, this latter usually every other week. But although seven-day operation is necessary in many processes, the United States Steel Corporation claims that 95 per cent of the workers get one day's rest in seven. This is most decidedly progress, but many companies have not taken even this step.

This two-shift system is, of course, an inherited practice of manufacturing which other industries have discarded, but which steel has retained due to its peculiar advantage in that industry. In steel-making, operations must keep going night and day, and the natural division is into two shifts; moreover, the labor is often intermittent in character, six or eight hours of work on a twelve hour job. Add to these factors the fact that the work is not excessively hard and that it is irregular in its irregularity, demanding an ample supply of labor in an emergency or in certain stages of the operation, and it is not hard to see why the long day has persisted. Moreover, the workers in part have felt they could stand the work, and they have wanted the extra wages involved. Long, sluggish hours and high weekly wages appeal especially to the newly-arrived immigrant with his old-world philosophy. Then in recent times, the inertia of the great corporations, the lack of a labor organization to ask for better conditions, and, previous to 1920, the scarcity of labor the company alleges, have stood in the way of a change from the twelve to the eight-hour day.

But there are arguments urging that change. The matter of health, of home life, of social development, of barriers to increased efficiency, and the general movement away from the excessively long day in other trades, together with the fact that all the important European nations have made the change; all these are cogent reasons which support the eight-hour day.

The *Survey* of March 5, 1921, lists the three-shift mills of America as follows:

Plants working blast furnaces on three shifts:

- Colorado Fuel and Iron Company
- Inland Steel and Iron Company[9]
- International Harvester Company
- Ford Motor Company, Rouge River Plant, Detroit
- McKinney Steel Company
- Adrian Furnace Company
- Punxsutawney Furnace Company
- A furnace or furnaces at Josephine, Pennsylvania

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[9] Recently ordered changed from three to two shifts.

Plants without blast furnaces operating open hearth furnaces and rolling mills on three shifts:

Kansas City Bolt and Nut Company
National Enameling and Stamping Company
Andrews Steel Company
American Rolling Mill Company
Trumbull Steel Company
West Pennsylvania Steel Company
Follansbee Brothers

Plants having open hearth furnaces but no rolling mills and working on three shifts:

Commonwealth Steel Company
Duquesne Steel Foundry
Allegheny Steel Company, open hearth but not rolling mills on three shifts, (aside from sheet mills)
The Hoosier Rolling Mill Company, a concern having a rolling mill at Terre Haute, Indiana, operates on three shifts.

Even the casual thinker on the problem at once discerns that it is cost to management which has blocked the adoption of the eight-hour day. It is not, however, our purpose to indulge at this point, in figures which "prove" what management can or cannot afford. Of some interest are Drury's calculation that a 12½ percent increase in the hourly wage would be necessary if a shift were made to eight hours, and the government analysis concluding that to put the mills on a three-shift system would not on the average increase the cost of steel more than three per cent, but though stimulating, most of such calculations seem to involve more speculation than proof. We dare assert, however, that a study of the actual cost figures on the books of these steel companies would make a piece of interesting research and might give us some real enlightenment on the subject. To get at the root of the difficulty involves many factors not easily calculated, such as the change in overhead, a raise in the wage scale, obtaining new crews, increased efficiency, and the different morale which might result. To what extent such increased efficiency and its attendant factors would offset the cost of a larger payroll to the management is difficult to estimate, and the advantage might not be fully apparent for a good many years. As Drury aptly says:

"The whole layout of the industry and the spirit which pervades its functioning has necessarily grown up to fit the twelve-hour day. The attitude of the workman, in feeling that he must hang back from work about half the time, the attitude of the foreman who feels that to get anything done at all he must drive, the lax moral tone which must pervade an industry where sleeping is tolerated, all these cannot but be reflected adversely in the attitude of the men towards waste, towards care of tools and equipment, towards responsibility for quality in the product, towards absenteeism, and towards the development in industry of the scientific spirit. None of these ill-favored children of long hours can be made to disappear in one year or five years. But from the standpoint of those forward-looking individuals who would study the efficiency of processes and men in the steel industry, with the idea of building constantly a better organization, it would seem that the very first thing to do would be to get the men away from the twelve-hour day. Who will deny but that in the long run a brighter future is bound to lie before an industry which has learned that work is work, and has decided that long dull hours, and half-asleep workmen will no longer do?"[10]

It is undoubtedly true that the type of labor used in the steel mills has to a certain extent acquiesced in the long work day. The recently-arrived immigrant is very likely to consider America as a place of temporary residence, anticipating a return to the old country, or, what is equivalent, he looks upon his work in the steel mill and the conditions of his home and community as temporary and anticipates escaping to another industry and then beginning to live. Steel represents to him an opportunity to plunge rashly, accumulate his rewards, and then look for a normal life elsewhere. To the American worker, on the other hand, and the foreigner who intends to live permanently in America and possibly to be always a steel worker, the situation is likely to be very different. He may want certain satisfactions as he goes along and the twelve-hour day is a factor which stands in the way of securing those satisfactions. Mr. Fitch illustrated this:

"Tell me, how can men get any pleasure out of life working that way?" Barr asked me this almost with a challenge. We were sitting before the grate of his comfortable and tastefully furnished home. There were pictures on the wall, a carpet on the floor, and a piano in the corner spoke of other things than endless drudgery. He seemed to interpret my swift glance about the room, for he went on, "I've got as good a home here as a man could want. It's comfortable and I enjoy my family. But I only have these things to think about. I'm at work most of the day and I'm so tired at night that I just go to bed as soon as I've eaten supper. I have ideas of what a home ought to be, but the way things are now I just eat and sleep here."[11]

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[10] *Taylor Society Bulletin*, Vol. VI, No. 1, February, 1921.

[11] John Fitch, "The Steel Workers."

A Polish priest among the workers in the mills describes the effect of the long day upon the men. Father Kazinci says:

> "We have an Americanization course in project taking place, and they have been instructed to go and attend these night schools. They are not a very great success, for the simple reason that the men are overworked, working from ten to thirteen hours a day; and they do not feel like going to the schools and depriving their families of their own company even after those hours, those long hours. Sundays, they have none, for most of them go off to work."[12]

A most succinct summary of the whole problem is made by Mr. Drury.[13]

> "Granting, then, that the elimination of the twelve-hour day is essential to the higher development of American steel workers, and that the country and the world at large have come to think of twelve hours as too long a day's work, it is obvious that whether or not the shorter day can be made of direct profit to the industry, it would be courting trouble for the industry to persist indefinitely in maintaining a system which the public generally condemns."

Cleavages in the work force.—In these days of collective bargaining, unionism, and mutual co-operation between workers, the cleavages in the steel forces, on the contrary, are the more emphasized. If we will glance back over the discussion of wages, we will note the rough division of workers into three classes of skill, classes that are widely separated in rates of pay. This in itself tends to bind the highly-skilled employees more and more closely to the company and to dull their sympathies for the under dog. To this select group, practically all Americans, is held out the lure of a share in management for their loyalty to the company through thick and thin. The other classes, the unskilled especially, feel keenly the lack of sympathy and the assumed inferiority, which is sometimes made only too painfully plain to them by the treatment from bosses and others. All this tends to create a cleavage which is broadened by the fact that this lower class consists mostly of immigrant labor. The commission of inquiry for the Interchurch World Movement dwelt upon this feature:[14]

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[12] *Senate Steel Strike Hearing*, 1919, Volume II, pages 544-56.

[13] *Bulletin of the Taylor Society*, February, 1921.

[14] *Interchurch Report*, page 135.

"Here is the sum of grievances and the life and progress of the immigrant steel worker as determined from hundreds of interviews: The Slav, Pole, Serb, Croat, Russian, Greek, Magyar, Jew, Roumanian, or Turk is, nine times out of ten, a peasant, taking an industrial job for the first time. At the start, only as wages fail to keep him and his family as he wants them to be kept, or the hours break down his health, does he care about "controlling" either wages or hours. What matters most to him is that if the mill is shut down he is the first to be laid off; if the job is unusually hot, greasy, or heavy, he is the first to be set to it. He is most arbitrarily, often brutally, shifted and ordered about; if he takes a layoff he is the most likely to pay for it with his job; if he is late a few minutes he is the most likely to be heavily docked and he is the most likely to be kept beyond his hour with no additional pay. If there is sickness in his home or he is otherwise kept away, his excuses get the shortest shrift. If he is the butt of unusual prejudice in either his foreman or some fellow worker, evinced in profanity or the penalties of always the nastier tasks, he knows least where to go for redress or how to speak it.

"As the years go on and he works on up, the right to his job and fear of losing it or of being shifted become more important and he is the one to value most his security in promotion. He finds he is the one whose personal preference counts least and the bar that stands out strongest in his kind is not being an 'American.' 'That job is not a hunky's job; you can't have it' is the answer that destroys his confidence in himself. He can't change his race; he can't change his foreman and he cannot get above the foremen. By this stage in the progress he has become sufficiently Americanized to want higher wages and shorter hours; and he wants better living and more recognition as a human being and less as a hunky, but he finds himself in the grip of a system which regulates his hours by a whistle, his grievances by rebuff."

This cleavage, the social ostracism of the foreigner by the "Americans," is a strong force running counter to assimilation, tending to cause foreigners to seek foreign quarters and live lives by themselves with their usual squalor and non-progressive tendencies.

For another and wholly artifical cleavage, management is entitled to complete recognition. There is in the mills an atmosphere of suspicion, doubt of one's fellow worker, fear to entrust him with the least confidence lest he be one of the company's numerous spies or "under-cover men." This, together with the policy of dilution, that is, placing men of different nationalities side by side, has served effectively to prevent the dreaded unity in the labor force.

Labor policy of employers.—The labor policy of the United States Steel Corporation is aptly described in two words, "arbitrary control." Judge Gary claims that the security holders have the right to dictate wages and conditions of labor, that "any plan which seeks to deprive the investor of the control of his property and business is inimical to the fundamental ideas of our country and to the public welfare."[15] The patent consequence of such a policy is anti-unionism.

"I would not intentionally do an injustice to any union labor leader, nor to a labor union. But I firmly believe complete unionization of the industry of this country, as attempted, would be the beginning of industrial decay.[16]

LOOK OUT FOR FLYING CHIPS!

Courtesy of the National Safety Council.

Working in the Steel Company Yard

"The end sought by labor union leaders that, at least, to which their efforts tend, means disaster and destruction.[17]

"But still, our opinion is that the existence and conduct of labor unions, in this country at least, are inimical to the best interests of the employers, and the general public."[18]

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[15] "Principles and Policies of the United States Steel Corporation, page 5.

[16] *Ibid*, page 15. Statement by E. H. Gary to stockholders, April 18, 1921.

[17] *Ibid*, page 14.

[18] *Ibid*, page 12.

The effectiveness of the policy, thus voiced by the head of the great steel corporation, may be judged from the fact that "in 1901, one-third of the corporation's mills dealt with unions; in 1919, these and all other unions were outsted; no unions were dealt with."

The means used to obtain that end have met with severest indictments. It has been charged that there is no machinery for adjusting grievances, that repression has been the order of the day, that in certain communities there has been an abrogation of the right of assembly, a suppression of free speech, and a violation of personal rights. In contrast, we read from Judge Gary's report to the stockholders, quoted before: "The management of the Steel Corporation has steadfastly striven to cultivate a spirit of amity with the workmen and has been very successful." It is interesting to note in this connection, that, whereas Mr. Gary claims that any employee with a grievance can go to the officers or even finally to the governing board of the corporation for redress, no specific case could be cited wherein the privilege had been used within a period of over twenty years and none the less, in 1919, a great steel strike occurred, when for several months thousands of workers bitterly fought these employers.

Arbitrary and almost absolute control of labor vested in the hands of capital has made it possible to use that labor to obtain maximum profits. As abuse of that power, critics[19] cite the misuse of a bonus system and a general speeding-up policy to drive the worker to greater production.

> "In the mills of the Carnegie Steel Company, two months in each year, usually March and October, are known as 'record months' and are sacred to the breaking of records. The mills are pushed to the limit; every possible advantage is given in the way of perfect equipment, and all known obstacles are removed beforehand. Some departments are run straight through the month without an hour's stop, and all are run over-time. If records are broken, the superintendent passes the cigars. The new record has an effect, for what is possible in March and October is of course possible in April and November."[20]

We ought, in passing, to note again that Drury[21] says that men rest and sleep on some of the jobs, and it may take years for the inefficiency and laxity to be eliminated. Here are two somewhat different attitudes on the same situation!

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[19] Notably John Fitch.

[20] Fitch, "The Steel Workers," page 186.

[21] *Bulletin of Taylor Society*, February, 1921, pages 21-22.

In development of their labor policies the steel companies have pursued elaborate welfare projects. Many of these are primarily designed to bind the employees to the concern, the most obvious of which is perhaps the stock-selling plan with all its strings attached. Numerous small favors are dispensed, with interesting results:

> "The effect upon some foremen, produced by the gift of a fat turkey on Thanksgiving, is really surprising. Extra favors shown have a far-reaching effect, too, and this is understood and acted upon. 'Why anybody should complain about the Steel Corporation is more than I can see,' said a foreman with whom I had been discussing certain phases of the prevailing discontent. 'They certainly treat me fine. Only the other day the superintendent came around and asked me my address, and I know what that means. There'll be a fat turkey left at my house the day before Thanksgiving.' "[22]

But in addition, we find prevalent a truly constructive type of policy. Millions of dollars each year are devoted to safety work, pensions, sanitation, and accident relief; company houses are supplied at low rentals to the better class of employees; recreational facilities are supplied; free libraries are donated to the communities.

Such, in a very general survey, are some of the policies emanating from an arbitrary control of labor for the profits of management. Can we wholly condemn it.

Tactics of labor.—If we go into the history of the steel industry we discover that during the early nineties it was entering into a period of rapid expansion. At that time, the workers had considerable control over the industry, for they were well organized. But about that time Carnegie and others began to buy up independent steel and iron companies, and problems began to appear. The reaction of the union toward change in method and techniques was very commonly that of opposition, and discipline at times was a very serious proposition. In the Carnegie Steel Company's plant at Homestead, for example, the men, to a great extent, ran the mill and the foreman had little authority. Since no man could be discharged without the consent of the mill committee, incompetent men had to be retained in the employ of the company, and changes for improvement in methods of production, which would reduce expense, were constantly blocked. Some of the officials who were active in the strike of 1892 later admitted that the union had made some serious blunders in its attitude toward improvements, and deplored the arbitrary action of the days previous to 1892.

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[22] Fitch, "The Steel Workers," page 187.

> " 'We kept men employed who ought to have been fired,' said one, 'and it wasn't right.'
>
> "There are many men in any mill or factory who are ignorant, unreasonable, irresponsible. There is no way of keeping such men out of the unions......their votes count......it is no more than natural that these should to some extent have dictated the policy of the union."

The old union was broken in the strike of 1892. In 1901, the United States Steel Corporation was organized; it adopted an open shop policy and defeated the unions in 1901, 1909, and again disastrously in 1919.

In the last mentioned year on the initiative of a few leaders, a spectacular effort was made by a committee of twenty-four trade unions to organize the steel industry.

According to Mr. Foster who led the attempt:

> "The idea was to make a hurricane drive simultaneously in all the steel centers that would catch the workers' imagination and sweep them into the unions en masse despite all opposition, and thus to put Mr. Gary and his associates into such a predicament that they would have to grant the just demands of their men. It was intended that after the Chicago conference a dozen or more general organizers should be dispatched immediately to the most important steel centers to bring to the steel workers the first word of the big drive in their behalf, and to organize local committees to handle the detail work of organization. In the meantime the co-operating international unions were to recruit numbers of organizers and send them to join the forces already being developed everywhere by the general organizers. They should also assemble and pay in as quickly as possible their respective portions of the fund of at least $250,000 to be provided for the work. The essence of the plan was quick, energetic action.
>
> "At the end of three or four weeks, when the operating forces were in good shape and the workers in the mills acquainted with what was afoot, the campaign would be opened with a rush. Great mass meetings, built up by extensive advertising, would be held everywhere at the same time throughout the steel district. These were calculated to arouse hope and enthusiasm among the workers and to bring thousands of them into the unions regardless of any steps the mill owners might take to prevent it. After two or three meetings in each place, the heavy stream of men pouring into the unions would be

turned into a decisive flood by the election of committees to formulate the grievances of the men and present them to the employers. The war was on; the continued operation of the steel industry was imperative; a strike was therefore out of the question; the steel manufacturers would have been compelled to yield either directly or through the instrumentality of the Government."[23]

After a severe strike the attempt finally failed. The obstacles proved too great, the war stopped before the campaign was launched, other unions did not supply enough fighting funds, part of the public feared that the strike was a plot of those who desired to overthrow the government, and the strike-breaking policies of the steel companies proved a very serious difficulty in the way of winning. To illustrate these policies, Mr. Foster cites the following as fact:

"Duquesne is just across the river from McKeesport and only four miles from Homestead. It gave the organizers a hot reception. Its Mayor, James S. Crawford, is President of the First National Bank. His brother is President of the Port Vue Tin-Plate Company. Besides being Mayor, Mr. Crawford is City Commissioner, President of the City Council, Director of Public Safety, and Magistrate. He makes the laws, executes them, and punishes the violators."[24]

As affairs in steel stand today, labor as a group can hardly be said to have any tactics. The workers have no common organization in which they can combine to pursue any policy or execute any plans. The individual deals with the corporation and in such a state of affairs capital has absolute control, and corresponding responsibility.

The spirit of the workers.—We have studied the worker in his physical environment and in his human relations, as they are involved in his job, in order that in such a background we may appreciate his thoughts, his reactions, his philosophy of work. Fragments, illustrative of the spirit of the men, are presented below. The reader is invited to draw his own conclusion.

"Haverly, an American blower, speaking of the troops detailed to guard the mills, said, 'Fight for democracy overseas, against it here.' "[25]

This is a page from the diary of a Gary worker, made in August, 1919, recording the talk of a group of skilled workers:[26]

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[23] "The Great Steel Strike," page 21.

[24] *Ibid*, page 61.

[25] C. R. Walker, *The Atlantic Monthly*, August, 1922.

[26] *The Interchurch World Report*, page 131.

"A heater who works eleven hours by day and thirteen by night, making $400 a month, says, 'Why shouldn't we get the eight-hour day without striking for it? I'd be glad to give up three or four dollars a day to get eight hours.'

"An engineer many years on the job says, 'Count me in for a six-day week, too, like a civilized man. This fourteen hours a night, seven days a week, is hell.'

"Another says, 'Gary thinks we've worked his old twelve and fourteen hours so long we'll stand for anything.' "

Now let us question the steel workers themselves and find out what they have to say. John Zelensky is the first man we meet. He talks in broken English about the hot weather. But not a word will he say about his relations with the company. He regards us with suspicion. We try elsewhere with the same result. It seems that others have also had the same trouble. An investigator for the "Pittsburg Survey for 1910" wrote therein:

"Repeatedly I interviewed men who answered my questions guardedly and in great perturbation of spirit, as if they feared that my visit boded them no good. Sometimes when meeting a workingman, and explaining to him my desire to talk over industrial conditions, he would say protestingly, 'But I haven't anything to say against the company,' although I hadn't once mentioned the company.[27]

"One phrase current in the town (Homestead) is: 'If you want to talk in Homestead, you must talk to yourself.'"[28]

Now, just by way of contrast, let us listen to the story Hudson[29] has to tell. He has worked up rapidly till he holds a skilled position.

" 'The Steel Corporation is a fine one to work for,' said Hudson to me with enthusiasm. 'It gives every man a chance for promotion, and listens to every workman who has a plan for improvement. All the intelligent men are satisfied. If you can find any dissatisfied men, you will find that they are men who would be discontented anywhere you put them. Take the way they loan money to men who want to build homes. A good many men have their own cottages just because the company helped them. The company has a savings department, too, and it pays five per cent on all deposits, and that is more than the savings bank pays......'

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[27] Fitch, "The Steel Workers," page 215.

[28] Miss Byington, "Homestead," page 175.

[29] Fitch, "The Steel Workers," page 15.

"Hudson is ambitious and he was very proud that his department during recent months had succeeded in beating all previous records known."[30]

A college graduate, brought up in a steel town, where a certain three-shift mill is located, who spent a summer as laborer in the plant, asserts:

"The workers are well satisfied. There is a loyal, enthusiastic company spirit, and the men take a pride in the prominent part the steel mill plays in community life. Employees even get their friends from other cities to move in to take advantage of the opportunities offered by the mill, for wages are good, conditions of work are good, and the attitude of management is better than the average. In this mill there is very little cause for complaint, indeed."[31]

Another college man who worked shoulder to shoulder with the laborers in a twelve-hour mill has given us different observations.

"There was a pretty good feeling toward the company itself, which was one of the best. A deep-seated hatred, however, existed against the whole system of steel. There was anger and resentment straight through from the cinder snapper to the high-paid blowers, and in some cases superintendents......

"But though without doctrines, except in rare instances, there was a massive stream of complaint against certain things, such as the company-owned town, the twelve-hour day, the twenty-four hour shift, and certain remediable dangers. It pervaded all the ranks."[32]

There can be little doubt that many steel workers are distrustful of the government itself, and represent a rather rumbling discontent. The feeling is due somewhat, possibly, to the heritage of the worker, the background of European experience in which the government has been conceived of as an oppressing agency, and his experience in America which has in it little to change his attitude. What few contacts the steel worker has with the government are through the policemen and the revenue men who break into his home to seize liquor which was never denied him in the old country; the United States troops, and particularly the state constabulary, when he is on a strike, appear in his town to break up meetings, club street demonstrators, and herd men to jail. Inasmuch as the government is manifested to him through agencies blocking the achievement of his desires, agencies which tend to appear repressive, he loses confidence in government and thinks of it in terms of oppression.

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[30] Fitch, "The Steel Workers," page 15.

[31] C. F. Johnson, Personal testimony.

[32] C. R. Walker, "A Chapter in Steel," *The Atlantic Monthly*, August, 1922.

Toward the church, likewise, many steel workers maintain an attitude of indifference. To the worker the church is often a thing apart. The priest does not visit the mills; he does not try to get better conditions for the men; he does not in most instances rally stoutly to their support when a strike occurs. Besides there is little time to go to church for men in industries so largely built upon the twelve-hour day and in some cases the seven-day week. Rightly or wrongly, the worker is concerned largely with the here and now, not with the future. Like every other individual he likes to mingle with, listen to, and co-operate with those who side with him and aid him in accomplishing his present desires. The church, therefore, some people believe, has less influence than it would have if it could tie up with the steel workers' every-day experiences and desires.

C. R. Walker has summarized the life of steel workers with a poignant incident:

> "Perhaps, if a very complicated matter like the steel life can be compounded in a phrase, it had been done by the third helper on Six. On the day when we had thrown manganese into a boiling ladle in a temperature of 130, he had turned to me slowly and summed it up in a word: 'To hell with the money,' he said, 'no can live.' "[33]

For Discussion

1. To what extent has labor been "saved" by the introduction of machine processes in the steel industry? (Read the description of the industry in the latest edition of a standard encyclopedia).

2. An ore engineer illustrates the advantages of modern machinery as follows in the proceedings of the American Economic Association, 1921, page 109:

> "When we undertook to handle iron ore mechanically the great comprehensive tools brought forth enabled the ore to be piled in such masses that *we abolished winter.* Two days ago some of us with our children danced around the Christmas tree, an age-long practice. Twenty years ago at such a moment, hundreds, nay thousands, of men were out in the night, maybe 20 degrees below zero, with a gale blowing, each man with his barrow or buggy, his pick and shovel, attacking frozen ore piles from the outside. You all have imagination

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[33] "A Chapter in Steel," *Atlantic Monthly*, August, 1922.

enough to fill in the details of the situation. To-day one man does the work of hundreds. He sits down, he wears gloves, he has abundant light. He keeps the temperature of his trolley cab as comfortable as your library He uses the frozen crust of the piles as a protecting wall, so that like potatoes in a cellar, the ore remains in good working condition, not frozen."

Is this all there is to be said about the effects of big machinery on men?

✓3. Is there any relation between immigrant labor and accidents? If so, what?

✓4. What are some specific advantages which an employer might gain from the reduction of accidents?

✓ 5. "If it costs very much to train a worker the employer can afford to invest money in accident prevention devices. If the work is unskilled and can be readily learned, it is not profitable to introduce labor-saving devices." How does this affect the policy of the steel industry?

"One of the biggest advantages from the introduction of labor-saving devices is in the change it makes in public attitudes toward the industry. The employers are thought to have the welfare of the workers at heart." Can you illustrate or disprove this assertion?

6. What are some of the prevention devices used by the steel industry? Do you have any others to suggest?

✓7. "The best way to eliminate accidents is to design the plant properly." What are some of the conditions to be avoided in the construction of a steel plant from the point of view of accident prevention?

✓8. "The worker takes the responsibility for the conditions of his employment. If the occupation is hazardous, wages are high. The worker oughtn't to object to danger." Should the community as a whole object to the danger if the worker doesn't?

✓ 9. Mr. Gary worked twelve hours a day on the farm when he was a boy. Does this prove that the twelve-hour day should be retained in the steel industry?

10. "A fellow loafs half the time around a steel mill." To what extent is this due to the periodic nature of the production

processes; to fatigue induced by the twelve-hour day; to discontent with working conditions?

11. "We would reduce the twelve-hour day if the present employees would stand for a reduction in wages. But they want the same wages they get for twelve hours of work even though they only work eight." Would the output be increased by an eight-hour rather than a twelve-hour shift?

12. "I don't care whether steel will cost more per ton with the eight hour day or not. I know that steel will cost less in terms of human lives, human fatigue, blighted lives, disrupted homes." What is the basis for this way of looking at the question?

13. Why has the twelve-hour day persisted so long in the steel industry?

14. "The twelve-hour day may not be desirable for the worker, but it is necessary to industry." Just what facts would you want to know in order to test this conclusion?

15. Mr. Barr claimed he detested the twelve-hour day. Why didn't he take his grievance to Mr. Gary under the standing rule?

16. Is there any relation between the work-day and the citizenship of the worker?

17. Why does not the government forbid the twelve-hour day?

18. Refer to Mr. Drury's conclusions on the three-shift system. What does he mean by the "not easily measured efficiencies that spring out of the spirit of the men"? Name several of them. How do they come into existence?

19. Do you think the cleavage between "hunky" and "American" is a very important problem to the employer; to the immigrant laborer; to the community? Why? How could the cleavage in the work force be eliminated? Would this benefit or injure the steel companies?

20. The United States Steel Corporation pursues its welfare projects as long as they pay. What is the real, ultimate object of welfare work? Is the Corporation right in its policy?

21. The steel companies set aside regular months for record-breaking production. What are the advantages of this plan to the companies? The disadvantages? What are the effects on labor?

22. Do you justify the practice whereby the management keeps "tabs" on its workers by means of a spy system? Would you employ it under any circumstances?

23. The United States Steel Corporation claims the right to "dictate" all the labor policies and practices, including all wages and working conditions. Do you think it has that right? Previous to 1892 the workers had a share in that power through their unions. In your opinion did they have a right to that power?

24. "Give a man a chance to be promoted and he's with the employer every time." Do you have any evidences of this to cite?

25. The number of managerial jobs in modern industry is relatively much smaller than in simpler industrial days. More men are without hope of becoming managers. Does this have any effect on their attitude?

26. "Promote the leaders of the workers." This is a rule in a certain book on employment management. Comment on it.

27. "Fire the agitator." This is another rule widely quoted. Which is a wiser policy?

28. "The employees ought to be grateful for their club houses and swimming pools. Instead a lot of them are grumbling." Someone said in reply to this: "Of course the workers grumble. If the managers have money to spend on the workers let them increase the wages and let the workers spend it themselves." Discuss the issue involved.

29. If you were a manager of a steel plant, would you send your foremen a turkey just before Thanksgiving? What would be your object in such a practice? Would it have any bad effects?

30. "The unions were tried once in the steel industry and failed." In what respects is this true?

31. "Labor unions are inimical to the best interests of the employer, the employees, and the general public." Cite all the facts you know thus far in support of this claim; all in opposition to it.

32. In the text you found quotations from the Interchurch Report, from Mr. Fitch, from Mr. Gary, from Mr. Foster. Which of these seems to be the most fair? May it be possible that all are at least partially true?

33. "A bunch of impractical preachers haven't any business snooping around the steel industry." Is there any reason why the church is interested?

34. "Mr. Gary is the defender of American liberties and initiative." "Mr. Gary is a survivor of the old stone age in industry when the employer was supposed to have no obligation to the workers." Who are the people who would subscribe to the first? The second? Which do you tend to approve of? What has there been about your home training, schooling, etc., which explains your prejudice?

35. "Foster is trying to bring anarchism to America." Define anarchism as you understand it at this stage in our study. From the material presented in the chapter do you see anything revolutionary about the steel strike?

36. Have you ever heard of troops being used to keep order in steel centers when the strikes were on?

37. Do the steel workers have a just reason for resentment against the government as oppressive? What is responsible for this feeling? How might the government change this resentment to good will?

For Investigation

Taylor Society Bulletin: "The Three-Shift System in Steel."
An appraisal of the twelve and the eight hour day by industrial engineers.

Fitch, John A.: "The Steel Workers."
This is a case study of the Pittsburgh steel workers by a trained observer.

Foster, W. Z.: "The Great Steel Strike."
The story of the theory and practice of the strike of 1919 by its chief organizer.

Interchurch World Movement: "Report on the Steel Strike, 1919."

Interchurch World Movement: "Public Opinion and the Steel Strike."
These two volumes summarize the material gathered by investigators working under the direction of a committee of notable churchmen.

Walker, C. R.: "A Chapter in Steel."
An account of the experiences and observations of a college man who took a job in a steel plant.

Young, E. W.: "Comments on the Interchurch Report on the Steel Strike."
The report of the Interchurch World Movement discussed.

CHAPTER IV

AGRICULTURAL GROUPS

In a book dealing with the worker in modern society, the farm presents a puzzling problem. For whereas the developments in the city have tended to establish a sharp distinction between owners and employees, the farm still tends to merge the owner and the worker in one person. Of course there are hired laborers on the farm, but the number of these laborers as compared with farm owners is vastly less than the proportion which city workers bear to city capitalists; and the relations between farm-hands and farmers are quite different from the relations of employers and employees in the city. Strangely enough the most typical "worker" in agriculture is not strictly an agricultural worker at all. He is the casual, the transient, whose services are required only in time of harvest.

To clarify the ambiguous situation which the farm presents, we shall examine in succession the agricultural groups which show a progressive approach to what we naturally conceive the worker to be. These groups are the farmer, the tenant farmer, the hired man, and the casual.

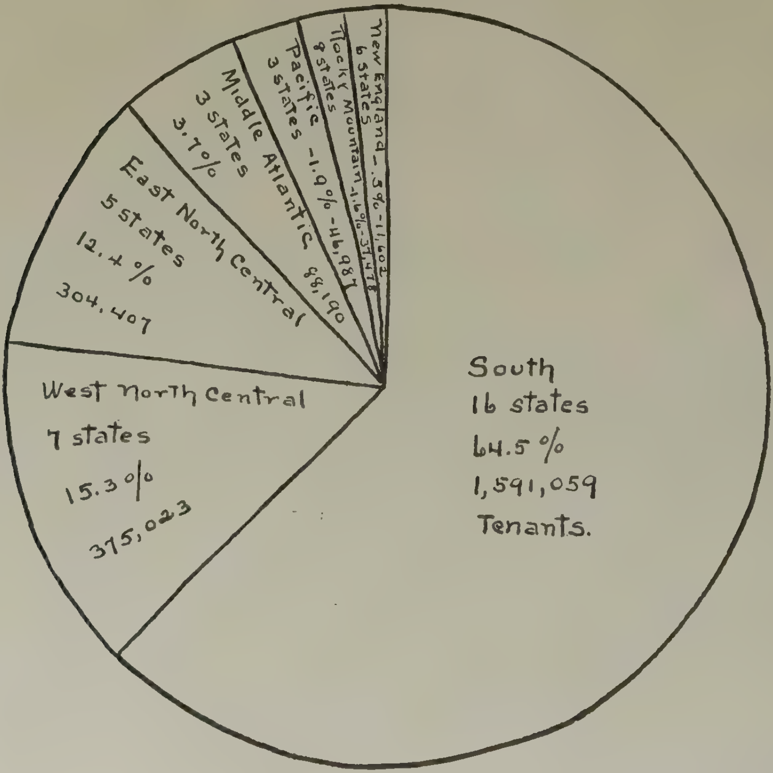
The land-owning farmer.—The farmer, cultivating his own land and living on it, combines the functions of capitalist and laborer in a way peculiarly his own. To be sure, we find in the cities business men, such as the owners of small grocery stores, who perform all, or most, of the manual labor in handling the goods which they sell; but it should be noted that these business men buy the same goods which they afterwards sell, while the farmer buys implements and sells quite a different thing, the joint product of his labor and the soil's fertility. Furthermore, the small merchant plays a relatively isolated and unimportant part in the clash of industrial forces in the city, while the farmer is numerically and socially predominant in rural districts, and plays no inconsiderable role in the problems and policies of the country at large.

On the other hand, the farmer presents many analogies to the laborer. In the first place a large proportion of farm holdings are parcels of land of less than two hundred and fifty acres. A considerable proportion of these farms are heavily mortgaged, so that the farmer often feels that he is dependent on a capitalistic overlord. The farmer is often heavily in debt for his tools also; and some of the machine work of the farm, particularly that of threshing, is performed with implements which he rents rather than owns. Except in harvest time the small farmer employs little or no labor, and the relations between the farm-hand and the farmer are much more like those of fellow workers than of employer and employee. They lack the impersonality that is found in large-scale industry.

Yet, as the owner of the land on which he works and, in large measure, of the implements with which he works, as an employer of labor in harvest time on a fairly large scale, and as a furnisher of the implements with which these harvest hands work, the farmer presents many analogies to the employing class of the cities. Furthermore the more prosperous farmers often invest in village and city property, carry large deposits in the local banks, and even invest considerable money in enterprises which have little or no connection with the farm.

Probably because of the half-way position which he occupies in relation to capital and labor, the farmer has displayed a large measure of independence and aloofness from both groups. His organizations, his publications, his political activities, have usually been for the promotion of rural as opposed to urban interests. He has not been inclined to take a definite stand upon the issues of capital and labor. Of late years, it is true, there has been a considerable drift in the direction of an alliance between the farmer and the city worker. A farmer-labor party has been formed, and much of the activity of the Non-Partisan League has been directed against the same group of financial interests that the laborers often regard as their opponents. Indeed, the experiments in State ownership and control in North Dakota have often been denounced as socialistic. It is well to notice, however, that the object which the farmers have in mind in this political struggle are quite different from the objects of the more extreme labor agitators. What they are chiefly interested in is co-operative marketing and the elimination of the middle man. They are not, like the socialists, opposed to profits; on the contrary, they propose to secure larger profits for themselves. They have no desire to pool their property under the control of the State.

The tenant-farmer—In passing from the farmer who owns and cultivates his own land to the tenant-farmer, we encounter a rural class who are further removed from the condition of capitalists without being appreciably nearer to the condition and attitude of other working groups. The distribution of farm tenants by geographical division in the United States in 1920 is shown by the accompanying chart. The tenant, of course, is employed, not on his own land, but on that of another person. Typically, he seeks the bargain; he desires to rent. He pays a stipulated amount in cash or crop for the use of the land and can hardly be classed as a person on a wage basis. Where he has the hope of ultimately owning land himself, his interests, in the long-run, are somewhat identical with those of the farmer-owner, and at least so far as his social attitude finds expression, it is merged in that of the more powerful and more



Distribution of Farm Tenants, 1920

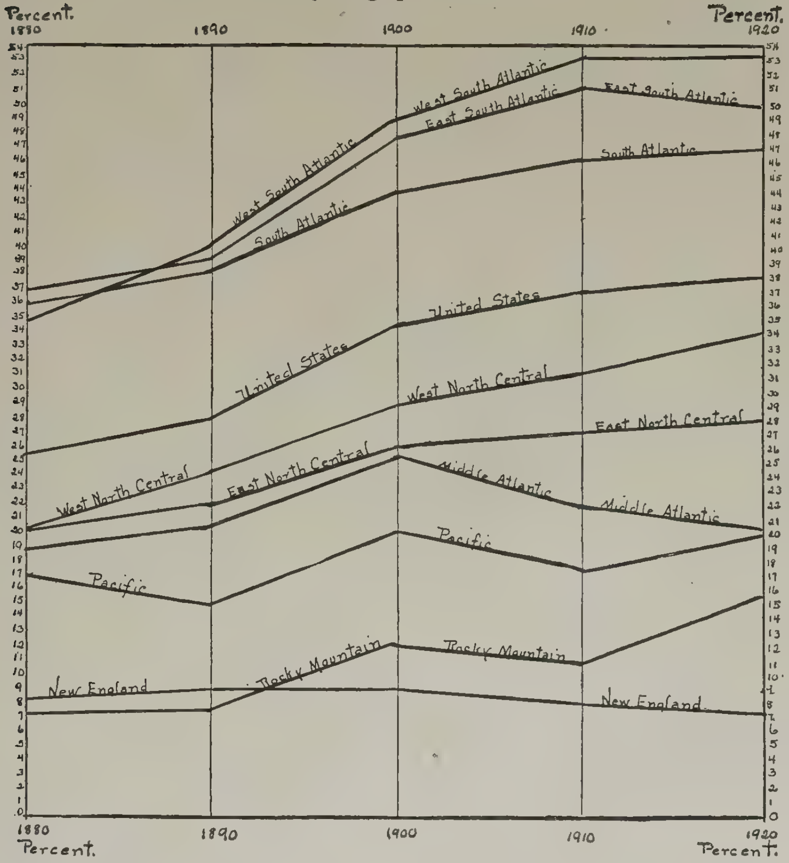
significant group which we have just considered. When he does not have the hope of land ownership, the problem is different.

Effects of tenantry.—The increase in the number of those who do not own their farms has been one of the "rural problems" of our time. Since the problem is quite different in

Farm Tenancy

Forty Year Increases, 1880-1920

By Geographic Divisions



various parts of the country and particularly in the North as contrasted with the South, we shall consider each in turn. This tendency toward an increase in tenancy is indicated by the above chart.

Thus far, in the East, North, and West, however, tenancy has been to a considerable extent a step towards farm ownership.

The stages are: home labor, hired labor, tenancy, ownership with or without mortgage. Of 2,112 owners in Illinois, Iowa, Kansas, Nebraska, and Minnesota, 20 per cent took all the steps, 13 per cent skipped the tenant stage, 32 per cent the hired man state, and 34 per cent passed directly to ownership of their father's farms, omitting both the state of hired man and tenant. For these reasons we can leave the Northern tenant with but scant reference, and proceed to other fields of inquiry.[1]

The hired man.—Unlike the farmer, the hired man does not own the land on which he works or the tools with which his work is carried on. And unlike the tenant, he is paid in wages. The casual, of course, is also a wage-earner, but since he spends but a fraction of the working year in the country, and a still smaller fraction on any particular farm, he stands out as a unique type and will be treated in the chapter to follow. Despite a commonly-held opinion in the middle West, farm labor is no longer what Ingersol described as "work all day and chores all night." Tardily, as compared with the city, but no less surely, machinery is revolutionizing the character of the work performed by all-year-round workers on the farm. Mechanical contrivances of all sorts are being rapidlv introduced, so that much of the back-breaking, dirty toil is being replaced by machine-manipulation. And not only is farm machinery lightening the actual work of the farm, but the trolley-car and automobile are making the city accessible to the farm laborer; so that his life is no longer one of complete monotony and isolation.

The most serious drawbacks to the lot of the hired man are irregular work, the chores, the long hours, the wages, and the general monotony and isolation. On the other hand the close relationships with the farm owners, the fact that all-the-year-round farm laborers are often sons of farmers who can and do look forward to proprietorship, make the problem of the farm-hand less complex than that of his city cousin.

A study of the varying numbers of hired men in agricultural work, made by the State of Wisconsin, has revealed that on 260 farms in that State in 1917, there were 263 men hired by the year. It was found that 214 were hired for the season only, usually from April to November or December, and 230 more were employed for day work or for a month or two in haying, harvesting, and silo-filling.

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[1] See Spillman & Goldenweiser, *Yearbook*, United States Department of Agriculture, 1916.

Obviously, a high percentage of farm workers must find other work during several months of the year. Favorite winter occupations for those who work on farms for the crop season only, are logging, saw-mill work, factory and shop work, paper-mill work, chopping wood, ice-cutting, clearing land, mining, quarrying, hay-pressing, and tobacco stripping and sorting.

"Of the day hands and the hay and harvest hands, a few are casual farm laborers living in the country or country villages, others are casual city laborers piecing out the year with a little farm work, others are city laborers who spend their vacations on farms, others are boys and retired farmers who do not work for the rest of the year, and the rest are transients who migrate to the cities for the winter."[2]

To rise before daybreak and stumble about, lantern in hand, to feed the cows and the pigs, is not an alluring prospect to face morning after morning, and much of the advantage afforded to-day by the automobile and trolley is offset by the long hours of toil. This dirty drudgery of morning and evening chores has been least affected by the use of farm machinery, but the introduction of scientifically constructed stables, similar to those found in the larger and more efficient dairies, is likely in the near future, to change the nature of these monotonous and disagreeable tasks. The wages received by male farm labor during the years 1913 to 1921 are shown in the following table:

Average Wages of Male Farm Labor 1913-1921[3]

Year	*By the Month*		*Day Labor at Harvest*		*Day Labor at Harvest*	
	With Board	*Without Board*	*With Board*	*Without Board*	*With Board*	*Without Board*
1913........	$21.38	$30.31	$1.94	$1.94	$1.16	$1.50
1914........	21.05	29.88	1.55	1.91	1.13	1.45
1915........	21.26	30.15	1.56	1.92	1.13	1.47
1916........	23.25	32.83	1.69	2.07	1.26	1.62
1917........	28.87	40.43	2.08	2.54	1.56	2.02
1918........	34.92	48.80	2.65	3.22	2.07	2.63
1919........	39.82	56.29	3.15	3.83	2.45	3.12
1920........	46.89	64.95	3.60	4.36	2.86	3.59
1921*........	29.48	42.65	2.12	2.80	1.60	2.17

*Wages for 1921 are indicated as preliminary.

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[2] "Farm Labor in Wisconsin," *United States Department of Agriculture Bulletin* June, 1920.

[3] "Wages and Hours of Labor," *Monthly Labor Review*, November, 1921.

The wages and long hours which attend the work are largely due to the fact that the farm is a small-scale industry. By a better co-ordination of farm and factory, the industrial development of the future may abolish the inequality now existing between hours and wages in the city and hours and wages on the farm. Such a change, however, might solve the special rural difficulties only by the substitution of those problems inseparable from large-scale industries. It is evident that if some such scheme as the following proposal of Henry Ford should come into general use, the present type of hired man would disappear from the farm.

> "This captain of industry says our present all-year factory life is a mistake, a physical and economic mistake. Factory and farm should have been organized as industrial adjuncts of each other. The farm has its slack times. The factory has its slack times. So Mr. Ford would have the factory population move out to the land every spring and summer, and back into the factory every fall and winter. This program, says its author, would make for a better balanced life and, what is equally important, a more balanced view of life. The country dweller who now sees all the glamour of the city and none of the facts, would, in such a case, see all the facts without the glamour. And in some manner this lesson must be learned."[4]

Unless some change as fundamental as that proposed by Henry Ford is made in typical methods of agriculture, it is hard to see how the monotony and isolation which the work involves can be greatly lessened. True, the average factory worker perfoms an operation which allows even less variety of movement than the farm worker enjoys, but monotony is considerably offset by the shorter hours of toil and the possibilities of mingling with his fellows through sports, shows, union meetings, and the various other contacts of the man in the crowd. Generally speaking, the work on the farm gives little chance for conversation and affords but little stimulation and challenge to the formation and exchange of ideas. On the smaller farms much of the work is performed by an individual complete isolation; and in tasks where even a few men work together, there is liable to be too little variety of outlook to produce much mental stimulus. The apologist for the farm may plausibly contend that the lot of the city worker is not essentially better than that of the farm worker; that though the city worker may have a greater number of contacts, these contacts are all more or less alike and tend only to intensify his prejudices and to deepen the grooves in which his life moves. But when all allowance is made for the force of this contention, it still remains true that the life of the city worker presents at least an illusion of variety which is certainly more stimulating than are the typical conditions of work on the farm.

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[4] James E. Boyle, "Rural Problems in the United States," page 34.

Tenant life in North Carolina.—Thus far in this chapter the treatment has largely been a characterization of Northern farm workers. Standing out in contrast to these, the farm workers of the older Southern States present a somewhat less pleasant story which has been well told, in a study made by the Department of Rural Social Economics of the University of North Carolina, of two townships in Chatham County, North Carolina.[5]

The farm owners.—The land of these two Chatham County townships is owned by 176 landlords—135 white and 41 colored. Thirteen of them run small roadside stores. All but sixty-one are active farmers, living on and cultivating a portion of their lands and letting out the rest to renters and croppers. Twenty are absentee-landlords living in other counties.

The tenants.—The tenants number 153—51 white and 102 colored. The ratio of tenants to all farmers is therefore 46.5 percent or nearly half, against 35.8 percent in the county-at-large, and 43.5 percent in the State-at-large. The tenants of both races fall into two classes, namely renters and croppers. All the tenants are farming under one-year contracts, and all the contracts are informal and unwritten. Tenant leases in writing are nowhere common in the South.

1. *The renter.*—A renter is a tenant who owns his own workstock and farm implements—enough to "run himself," as the phrase goes. As a rule he pays three-fourths of the fertilizer bill and gets two-thirds of the corn and three-fourths of the cash crop money. All of everything else the renter produces, except the cotton seed, is his. The details and ratios vary a little here and there according to what the renter furnishes and also according to the fertility of the farm. The renters are the upper-crust of the tenants, the top of the pot, as they say in our farm regions. They rank next to the landlords in the ownership of property—mainly personal property. They own something more than their household goods. In a small way they own the

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[5] "How Farm Tenants Live in Mid-State Carolina."

tools of their trade, and enjoy a fairly large measure of independent self-direction. Tenant and renter are interchangeable terms in Chatham and generally throughout the South.

2. *The croppers.*—A cropper is a tenant who is staked by the landlord—is "run by the landlord," in the common phrase of our country regions. He owns little or nothing but the simple things in and around his cabin. Usually he owns no workstock and no farm implements, or not enough to count in the year's bargain with the landlord. Everything is furnished by the landlord—land, dwelling, firewood, workstock, implements, and from time to time small advances of money and pantry supplies to help him produce the crops. He pays half the fertilizer bill and gets half the corn and the cash crop money. Everything else except the cotton seed is his. Against the cropper's half of the crop money, the landlord charges the cropper's debts for advances and the cropper's share of the fertilizer bills. .Croppers are "havers" (halfers) as the phrase goes, with little or nothing to invest in farming except the bare labor of themselves and their families. They are so called because they get not two-thirds or three-fourths of the corn and the cash crop money, as in case of the renters, but only half. As in case of the renter, the cropper's rent details vary somewhat on different farms.

Croppers are distinctly the under-crust of the farmers in the South—the bottom-rail, the under-dog, in country phrase. They are a type of farm population that is almost unknown in the North and West. In North Carolina the ratio is one-fourth.

Property and income.—How little renters and croppers own and how little money they handle during the year appears in the following table, covering the year 1921 in Baldwin and Williams townships of Chatham County.

Economic Classes	*Property Owned*	*Owned Per Family*	*Total Cash Income*	*Cash Per Family*
135 white owners	$624,642	$4,627	$ 84,553	$626
41 black owners	93,856	2,407	21,708	597
38 white renters	19,999	526	9,525	251
13 white croppers	3,279	426	1,993	153
66 black renters	27,016	409	19,053	289
36 black croppers	4,113	123	2,777	197
329 farmers	$772,905	$2,349	$139,609	$424

Throughout this study we are speaking of the gross money income of these farmers. And bear in mind (1) that 69 per cent of this income was derived from farming, most of which came in lump sums in the fall when their cotton and tobacco were sold, and (2) that 31 per cent of it was produced by other interests and activities more or less casual. This casual income was the ready money they handled from day to day. The bulk of their cash was not in hand till the market season at the end of the year.

If these were not actual figures reported in person by the farmers themselves, they would be absolutely unbelievable. How can farm tenants live and keep their families alive on average actual cash incomes ranging from eight to sixteen cents a day per family member? How can they afford to wait ten or twelve months for the balance of their money? The answer is, They couldn't but for (1) the meagre credit of the supply stores, and (2) the advances of their landlords—small sums of money and pantry supplies from time to time. And when their crop money comes in later, their debts consume it almost to the last cent.

Such is the economic status of 153 renters and croppers, black and white, or nearly half of all the farmers in this little area of the cotton-tobacco belt in the South—the status of 51 or more than a fourth of all the white farmers, the status of 102 or nearly three-fourths of all the negro farmers in Williams and Baldwin Townships in Chatham County, North Carolina.

As the farm tenants are in this little corner of Chatham, so they are in general throughout the State and every other State in the South.

White farm tenants.—Having considered (1) the property possessions and (2) the gross money incomes of 329 farmers, owners and tenants, black and white, in the area surveyed, let us now turn our attention to the 51 white tenants alone, and ask who they are, how they live. These fifty-one white tenants fall into three classes, (1) twenty-five renters living on and cultivating family lands, (2) thirteen renters with no land-owning ancestry—with one exception the sons of landless tenant farmers, and (3) thirteen croppers who are without neighborhood kinship in land tenures—pilgrims, strangers and sojourners in the land, with little or no workstock and farm implements of their own, and a minimum worldly wealth in household goods and utensils or with an average of only $426 per family, which is only $17 more than that of the 66 negro renters alongside of whom they struggle for existence.

1. The twenty-five white renters living on family lands are distinctly a preferred class of tenant farmers—here as everywhere else in the South. They are the sons, sons-in-law, or nephews of their landlords. But mark this—these young people, bred to the purple of farm ownership, are the very farmers who can most easily move out of farm territories and adopt the manners and habits of city life; and under boll-weevil conditions this is what they are doing in appalling numbers. They are vacating because land ownership in devastated areas means farm profits and rent revenues reduced to zero, and farming as a business rendered unattractive or impossible. More and more they are turning away from farming as a livelihood in the South, and as a consequence farm tenancy in the cotton-tobacco belt moves steadily toward the peasant type of European countries. The South, in short, is developing a kind of farm tenancy that is unknown elsewhere in the United States. In the North and West farm tenancy is a capitalistic enterprise; in the south it is a social estate.[1]

2. The thirteen white renters who are not living on family lands are all—or all but one—the sons of renters or croppers. They were not born to landownership. If ever they own farms of their own, they must depend on self-effort alone—on industry thrift, sagacity, sobriety and integrity. Their lot in life is toil. With only two exceptions, their wives are hoehands in the fields, from eight to ten hours a day during periods ranging from thirty to two hundred days of the year according to family circumstances. The unbroken rule is to send the children, both boys and girls alike, into field work at seven or eight years of age—so, because there is no hired labor to be had and no money with which to pay such labor.

3. The thirteen white croppers are in a different category in many or most particulars. They are a fourth of the white tenants in this territory. They lack industry in the area surveyed. They lack aspiration, as shown by the fact that they own little

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[1] It would be impossible in any cotton-belt county to find a fifth of the tenants operating with capital ranging from $3,000 to $9,000 each, as in Chester County, Penna., or one hundred tenants each operating with capital ranging from $20,000 to $60,000 and over, as in Iowa. See figures in Bizzell's Tenantry in the United States, pages 137, 143. Tenancy in the South is not a matter of deliberate choice on part of farmers with operating capital; it is a matter of hard necessity on part of moneyless men.

or no workstock and farm tools, without which they could not hope to rise out of tenancy into ownership. They lack the home-owning aspirations and virtues of the thirteen self-help farmers in the class next above them. Their standards of living are higher but their levels of life are lower than those of the black farmers alongside whom they live and work; inevitably so because their average cash income is less—22 per cent less than that of the black croppers, 47 per cent less than that of the black renters, and 74 per cent less than that of the black owners. They suffer in personal and in family pride. They move from pillar to post from year to year. They are a migratory type of farmers. They are cursed with the restless foot of the Wandering Jew. They lack identity with the community in which they live. They lack abiding citizenship and a sense of proprietary interest in schools and churches and neighborhood enterprises. They lack a sense of responsibility for community morals, law and order. They live on an average cash income of eight cents a day per family member in the area surveyed, and upon some such pauper wage the South over. They are unduly tempted into the business of making and vending illicit liquors. They furnish a disproportionate per cent of the white cases on the criminal court dockets. They are satisfied with their landless lot in life. They are a contented not a bold peasantry, in Goldsmith's phrase, but they are not their country's pride. As a class they are a doubtful economic asset and a distinct social menace. Or so they are as a rule in Chatham, in every other county of the State—in this State and in every other State of the cotton and tobacco belt.

Living conditions.—From this point on we group both types of white renters together, because they live on almost exactly the same social level. The households of the thirty-eight white renters number 178 souls. The children number 101 and 60 of these are children of school ages. The dwellings they live in are usually of board and timber construction, a few are old log houses, the left-over remains of former days. Six of them let in the weather through the roofs or the floors and walls. Twenty have 203 window panes out and ten have shutters off. In more than half of these dwellings it is possible to study astronomy through the holes in the roof and geology through the cracks in the floor. There is a separate dwelling for each family, and the 38 dwellings are scattered throughout 104 square miles of territory or close to an area of three square miles for every family. There is no lack of elbow-room for family life in this farm area.

On an average, these dwellings are thirty years old; nearly half of them have faced the elements for a quarter century or more. Only four have been built within the last four years. How can farm owners with a gross money income averaging $629 a year build new tenant houses or keep the old houses in proper repair?

Nor is there any lack of elbow space within the tenant dwellings. There are 164 rooms and 147 beds for the 178 occupants. The bedrooms number 124, or more than three per household on an average. Of one-room shacks there are none, and of two-room shanties only four. Eleven dwellings have four rooms each, and fifteen contain from five to six rooms each. These last were the homes of farm owners in by-gone days, now abandoned to tenants. The crowding of humans as in city tenements is a thing unknown in the country regions of the South. Parlors are rare—there are only two in all the thirty-eight dwellings. There are no separate sitting rooms. Bedrooms and sitting rooms are one and the same, and kitchens are invariably used as dining rooms. Only seven of the dwellings are ceiled or plastered, only ten are painted or whitewashed, and only thirteen show evidence of care on the part of the occupants.

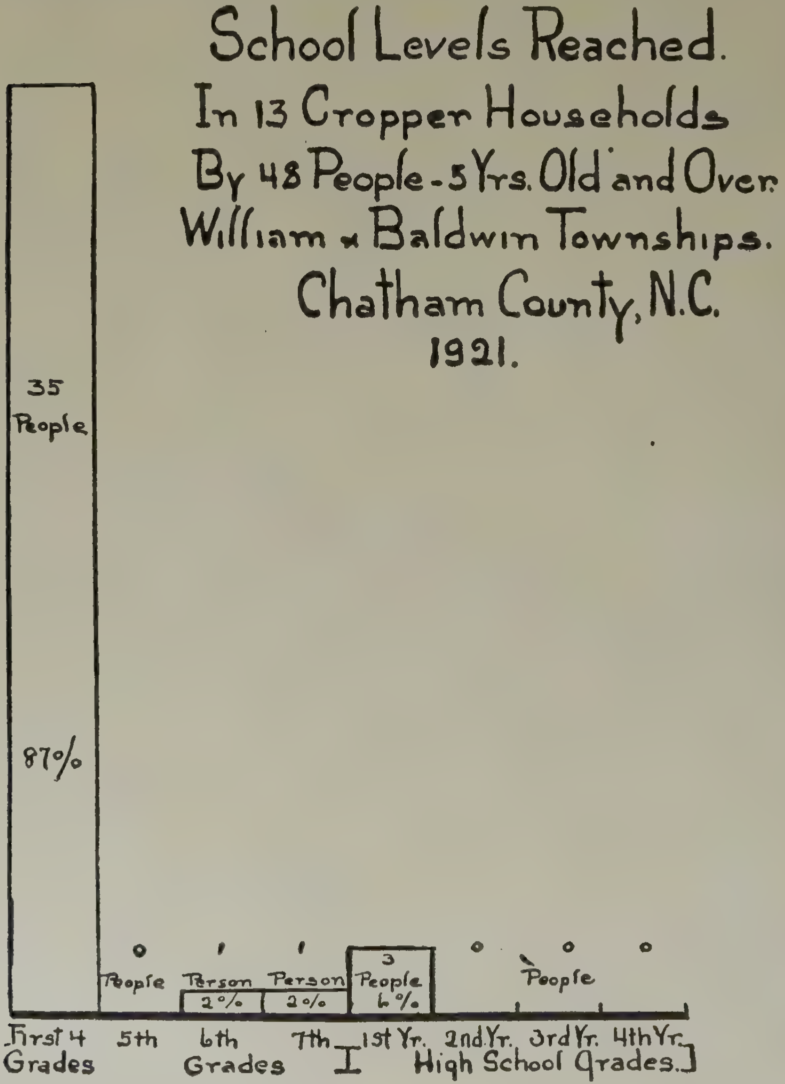
But there are signs of family pride and aspirations here and there. One tenant has a washing machine, two have automobiles, two have refrigerators, three have telephones, four have organs, four have victrolas and three have other musical instruments, five have rugs on the floors, nine live in dwellings wholly screened and seven in dwellings partly screened, nine have grass plots about their houses, thirty-one have flower beds, and thirty-five have sewing machines.

Health conditions.—None of the thirty-eight families has running water in their dwellings, thirty-five have wells, all of them over twenty feet deep; ten of these are open and twenty-four are closed; twenty are under the kitchen or the porches or in the yard within thirty feet of the house. Three of the families must bring the daily water supply in oft repeated trips up-hill from springs.

Only eight families have out-door closets, and these are all used by both sexes. None of the out-houses are fly-proof nor water-tight, all are open to the poultry and pigs, none is ever cleaned, and three of them are drained toward the water supply. The bushes and the barn-lot buildings are the screens of family privacy for thirty homes. Soil pollution by body-waste is the rule here as elsewhere throughout the country regions of the United States. Kitchen waste in all the dwellings is fed to the hogs in the nearby pens, and on six lots the pens are drained toward the water supply.

A doctor's office is on an average of eight miles away from the homes of these thirty-eight farm tenants. And so only seventeen families called in the physician during the year. Five others called on the doctor in his office. The total paid by twenty-two families to the doctor in fees and to the druggist for prescriptions was $1068 which was an average of $48.64 per family. Thirty-five of the homes spent $219 for patent medicines and nostrums of one sort or another, which is an average of $6 per family. Nearly one-ninth of the total cash incomes of this group of tenants went for illnesses, to say nothing of funeral expenses when the illness ended in death. Seven homes had doctor's bills ranging from $50 to $400 each. In one home the worldly possessions amounted to $218 and the doctor's bill to $75; in another the doctor's bill was $160 or a full third of all the tenant owned on earth; in another the doctor's bill amounted to $400 and the tenant's worldly goods to only $289. If a single doctor had all the tenant practice of these two townships he would have had only $1068 to live on in 1921, supposing he were able to collect every cent of it. Ill health and the cost of it in cash keeps many or most of these tenants poor—hopelessly poor.

Schools and school influences.—For the white children of these two townships there are seven public schools. Six are one-teacher schools of elementary grade, open for only six months of the year, usually in the fall and winter months when the demand for work in the fields is least. One is a five-teacher school at Bynum, a little cotton mill village of some forty-odd dwellings. Here the children have a chance for two years of studying high-school subjects—their only chance at such schooling in these two townships. For more they must go into other townships or counties. All the elementary schools in the open country are housed in buildings that are old and weather-stained. None of them has been built within the last twenty years. They are taught for the most part by young girls in their teens or by young women born in Chatham or in the neighboring counties. The education of these people is indicated in part by the chart following:



School Levels Reached.
In 13 Cropper Households
By 48 People - 5 Yrs. Old and Over.
William & Baldwin Townships.
Chatham County, N.C.
1921.

For Discussion

1. This book does not include an owner of an industry as a member of the working class. Should a farmer who owns land and cultivates it himself be considered one of the working class?

2. The tenant farmer often owns part of his tools, decides what crops he will raise and what work he will do each day. He is not paid wages and no one keeps his time. In this he differs from most city wage earners. Why, then, should he be classified as a worker?

3. "In attempting to understand the rural worker one must not measure him in terms of city conditions and city life. To some, country life is barren because of the absence of city activities; to others it is alluring because of the same fact." What does this statement mean to you?

4. What is meant by the term "the lure of the city?" Is it because of (1) the city is impersonal and a degree of privacy is possible which cannot be secured in some rural spots, (2) the big and great things seem to happen in the cities, (3) news comes back to the rural community of the successes of former country boys in the cities, (4) you can't get anywhere in a small town or on a farm, (5) people in rural parts are dull and provincial? Why? or why not? (Bradford's "List of Advantages of City Life").

5. Do good roads, the advent of the automobile, and interurban transportation bring the city to the country, or do they simply suggest more strongly the advantages of city life to country workers?

6. "The test of the adequacy of country life to retain the worker is not what joys we might get out of working and living there, but what satisfactions the rural worker gets out of his situation." Give content to this statement.

7. Would you rather be a casual worker, a "hired man," or a tenant farmer? What are the advantages and disadvantages in the lot of each?

8. "Hired men will in time organize unions?" Why or why not? Are they a permanent working class?

9. Suppose the negro farm tenant is inefficient. Should he be put in debt in order to make him work?

10. "The tenant moves around too much to take root." What would happen to a community if nobody moved in or out of it? What would happen if everybody lived there but a short time? Which policy would be worse?

✓ 11. "Tenantry is the first step to farm ownership." Is this as true today as it once was?

✓ 12. Why has the value of agricultural land increased in the United States, and why has some land worth $100 an acre become worth $200 an acre? What connection does this have with the preceding question?

13. Are there any race differences between tenants and owners in your locality? Any educational differences? What effect would these things have on the assimilation of the tenant into the community?

✓ 14. "The hired man is seldom the son of the neighboring farmer these days. We don't know his parents or his history and we can't afford to let him eat with the family." What change will this make in the story of the "hired man" as written in the future?

✓ 15. "The tenant farmers and the city wage-earners ought to combine against those who exploit them." Do you think the tenant farmers are class-conscious to the same degree the miners are? Why?

16. "The miners live in an isolated community. The miners are class conscious." Do not the tenant farmers live somewhat isolated? How do you explain their points of view?

17. England in recent years has witnessed a great increase in unionization of agricultural workers. May a similar occurrence be expected in the United States?

18. "Industry is constantly placing control over workers in fewer hands. Agriculture tends to remain small-scale in its operations." Granted. What relation has this fact to a discussion of the organization of agricultural workers?

19. What forces seem to be making for a union of rural classes with city workers in political affairs? What forces are working against such a union?

✓ 20. Compare the standard of living of the Southern tenant classes described in this chapter with the minimum of subsistence, subsistence-plus, and the comfort standards discussed in chapter XIV.

21. "Tenancy in the South is not a matter of deliberate choice, it is a matter of hard necessity on part of moneyless men." Explain. Why should the tenant stay on the farm? Why doesn't he move to the city and get a good job?

For Investigation

Vogt, Paul: "Introduction to Rural Sociology," (See index, under "Tenant.")

A scholarly summary of the tenantry problem in its social aspects.

Nourse, E.: "Readings in Agricultural Economics."

Source material on the economic aspects of tenantry.

Barber, M. A.: On the Recollections of a Hired Man, (In Carver, T. N.—"Selected Readings in Economics," pages 547–557).

An amusing personal memoir.

Boyle, James E.: "Agricultural Economics."

A comprehensive, well-balanced treatment of agricultural problems written in a challenging fashion. Has many illustrations, a bibliography, and a series of questions at close of each chapter.

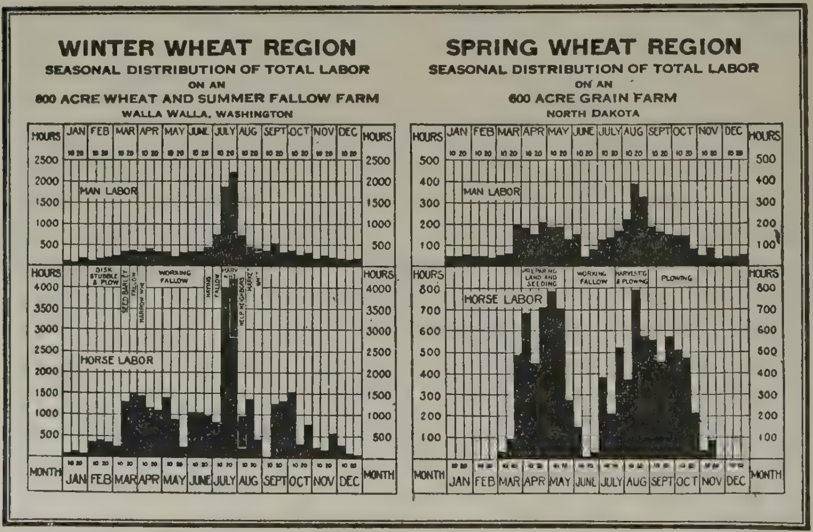
Gillette, John M.: "Rural Sociology," chapters 14, 15.

The most recent summary of the field by a recognized authority.

CHAPTER V

CASUAL LABORERS[1]

More men are employed in the manufacturing industries of New York State in January than in October; 140,000 more persons are engaged in canning and preserving fruits and vegetables in September than in February. Kansas alone asks for 120,000 migratory workers annually in the wheat fields. Thus run the records of the most recent Federal and State reports. The truth is that much of the work of the world is seasonal. As a result of these seasonal fluctuations, an army of a million and a half migrant laborers constantly on the move is necessary to save our industries from being shut down.



These casual workers go tramping over fixed paths toward goals of tremendous national and world importance. They have no permanent place in society and receive only the most trivial and fleeting recognition for their important work.

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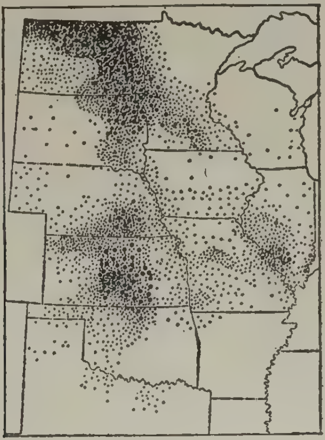
[1] Adapted in part from "World Survey, American Volume," Interchurch World Movement, 1920, pages 103–114. (By permission.)

Harvest hands.—The migrant follows definite paths across the country. The cycle in the Middle West begins when the first recruits come to the wheat harvest of northern Texas from the Southern oil and lumber camps and more especially from the Southern farms where a lack of midsummer staple crops permits an incursion into these harvest fields before fall work begins.

Wheat is a great staple product in the United States throughout all the territory north of Texas, Tennessee, and North Carolina, and in the Pacific Coast States. Over most of this area it is raised on rather small fields and as a single feature of a diversified system of agriculture. The grain belt, on the other hand, where nearly three-fifths of the total supply is produced, is a great empire stretching from northern Texas to Canada. Here wheat is the chief product. Over much of this area it tends to exclude all other money crops.

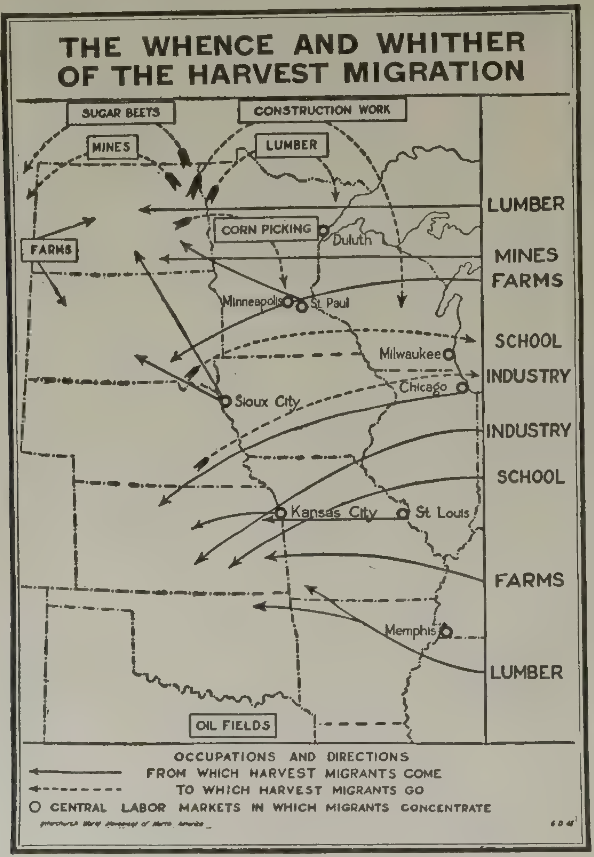
THE "BIG" GRAIN BELT



Wheat Acreage For 1923

Missouri	2,919,000
Minnesota	1,728,000
Texas	1,599,000
Oklahoma	3,300,000
Kansas	8,299,000
Nebraska	3,174,000
South Dakota	2,812,000
North Dakota	8,262,000
Total	32,093,000

The harvest migration, which begins in Texas, moves slowly northward, reinforced continually by "labor vacationists," factory operatives who come to work in these harvest fields as some men go on a "loafing vacation." Finally, when the wheat harvest of Kansas is ripe, this entire army, reinforced by every available recruit, attacks one of the country's biggest jobs, gathering one-fourth of the nation's wheat.

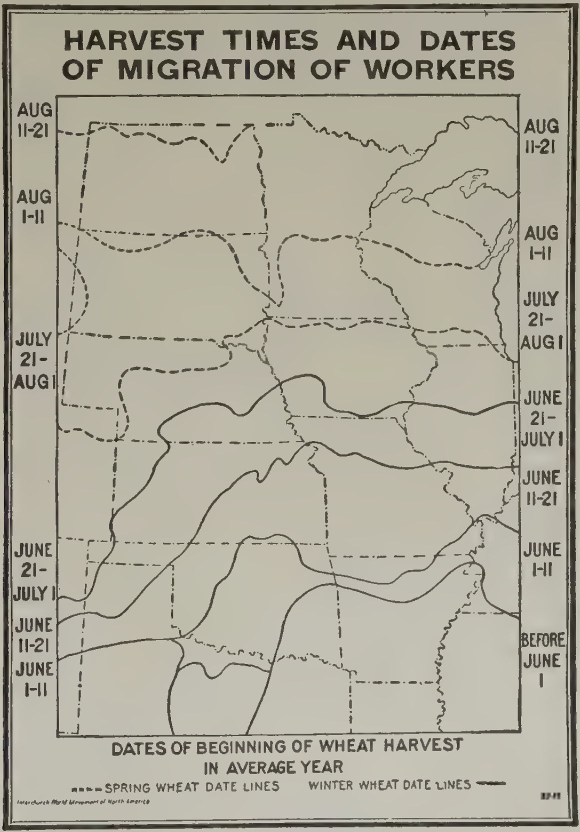

THE WHENCE AND WHITHER OF THE HARVEST MIGRATION
SUGAR BEETS
CONSTRUCTION WORK
MINES
LUMBER
CORN PICKING
FARMS
Duluth
Minneapolis
St. Paul
Milwaukee
Chicago
Sioux City
Kansas City
St. Louis
Memphis
OIL FIELDS
LUMBER
MINES
FARMS
SCHOOL
INDUSTRY
INDUSTRY
SCHOOL
FARMS
LUMBER
OCCUPATIONS AND DIRECTIONS
FROM WHICH HARVEST MIGRANTS COME
TO WHICH HARVEST MIGRANTS GO
○ CENTRAL LABOR MARKETS IN WHICH MIGRANTS CONCENTRATE
Interchurch World Movement of North America

After the wheat harvest, the demand for migratory workers is greatly decreased. A small number of the workers stay for the threshing in areas where the crops have been harvested. Those who follow through the harvesting operations as they move northward have to compete with new labor forces from the farms of the Northwest and Northeast and from the lumberjacks and mine workers of northern Wisconsin, Minnesota and

Michigan. Some of the more persistent migrant workers, however, follow the harvest operations far into Canada.

Economic consideration.—The outstanding economic facts and conditions about harvesters are:

1. The number of men engaged is very large. It is conservatively estimated that in an average year no less than a quarter of a million transient laborers may be used in the grain harvest.



HARVEST TIMES AND DATES OF MIGRATION OF WORKERS

AUG 11-21
AUG 1-11
JULY 21-AUG 1
JUNE 21-JULY 1
JUNE 11-21
JUNE 1-11
AUG 11-21
AUG 1-11
JULY 21-AUG 1
JUNE 21-JULY 1
JUNE 11-21
JUNE 1-11
BEFORE JUNE 1
SPRING WHEAT DATE LINES
WINTER WHEAT DATE LINES

DATES OF BEGINNING OF WHEAT HARVEST IN AVERAGE YEAR

Interchurch World Movement of North America

This figure does not include the tens of thousands of local laborers who share many of the experiences of the migrants though only a short distance from home.

2. The uncertainties of season are great. The number of migrants needed in any grain State or in the grain belt as a whole will naturally vary from year to year with crop conditions.

3. The time at which the wheat harvest will begin in a given region is very indefinite. The accompanying chart shows the

course of the harvest date lines as established by the Department of Agriculture over a series of years. Within the expected dates, however, there will occur all manner of local variations. Thus, the 1919 harvest found wheat cutting in Nebraska, South Dakota and North Dakota all at the same time. The weather plays similar tricks every year.

4. Local wages fluctuate very greatly. Because of the uncertainty of time and season, it is impossible adequately to regulate the flow of men into the harvest fields. As a result certain areas may have three of four times the supply of labor needed, while an adjoining region may be practically without migrant hands. This fact, coupled with the prevalent verbal labor agreement, which is full of uncertainties and opportunities for misunderstanding, causes great differences in wages to prevail throughout the grain belt.

5. It is owing to the nature of harvest work that much time is lost from weather conditions, from waits between jobs and from hindrances in traveling. As the men in the harvest fields are paid by the hour, these delays are of great importance.

As the harvesters demobilize, one stream of men turns southwestward and seeks employment in mining and railroad construction or in agricultural work in the sugar-beet fields and fruit areas, even going as far as the Pacific Coast. A larger number work their way south, turning to mining and lumbering, or continuing agricultural work as corn pickers. Thus they move on from one field of labor to another, a restless, roving group of workers.

Eastern migrations.—The Atlantic Coast States have a smaller agricultural migration than the Middle West. The work in this region is almost entirely fruit-picking and truck-farming. There is an annual movement between the Bahama Islands and Florida, and a regular influx of mountaineers into the fruit harvest belt of the Blue Ridge mountains; also an appreciable but diminishing movement of Virginia Negroes into the farms of Pennsylvania, New Jersey and the truck-farms of Long Island and Connecticut, where they contribute their labor to the big task of feeding our cities' thousands.

The main migrations in the East, however, take place as a series of movements within states which have a common type of agriculture. The New Jersey and Hudson valley regions, the cannery and truck crops of New York, the fruit areas bordering on Lakes Ontario and Erie all use a large number of seasonal workers. Here the succession of crops affords intermittent work over a period of four months. A small number of the casual laborers in these areas are men who start work in Florida and move northward with the crops. The majority, however, come from the large cities, particularly Baltimore and Philadelphia.

Cannery workers.—In the fruit and vegetable canning industry the problem is more one of concentration than of geographical distribution. In the Eastern States the chief crops involved are beans, peas, corn, tomatoes, cantaloupes, watermelons, apples, peaches, grapes, strawberries, and bush fruits. These crops are raised very widely throughout the country, but their chief concentration occurs along either side of Chesapeake Bay, the southern two-thirds of Delaware, the southern half of New Jersey, three or four counties in the Hudson River Valley and the New York counties bordering on Lakes Erie and Ontario.

It is very difficult to estimate the number of migrant workers required in this region. Careful inquiries from growers and agricultural agents in typical counties, together with the estimates ventured by the colleges and the Department of Labor warrant a series of guesses as follows:

New York	14,000
New Jersey	3,500
Maryland	3,600
Delaware	2,350

This means that more than 22,000 migrants are required to harvest the fruit and cannery crops of the Eastern States. These estimates are for years of average crop yields, but as in wheat fields, there are great fluctuations in the demand from year to year. In 1919, for example, the short tomato crop in Maryland and the small apple crop in New York greatly reduced the average demand for imported transient labor.

Sanitation and housing.—The characteristic problem which the working conditions of the cannery group adds to the problems of work and pay found in the harvesting group is the very acute problem of housing, sanitation, and morals. The housing of agricultural labor under any circumstances and the moral effect of its working conditions upon itself and upon the farm families and communities with which it is in contact are very urgent problems. When the ordinary hired man goes to the average farm, singly or in groups of two or three, he simply shares the fortunes of the farmer's family. If the number of workers is too large to share the farmer's home, the owner must devise some form of temporary housing to care for these migrants. Thus labor camps come into existence. In New York State alone about five hundred fruit and vegetable pickers' camps are required. The majority of these fruit pickers' camps consist of existing outbuildings temporarily devoted to human habitation. Conditions in such quarters vary greatly. A large fruit-grower frequently has a well-built bunk house near his residence, the second story of which will house two or three men per room, the first floor being used for a dining room and kitchen. Where immigrant family labor is used, one may find a long two-story tenement in the midst of an orchard, housing an indeterminate number of families. There is no logical separation of living quarters; no provision for individual privacy or domestic economy. Another frequent type is the long one-story bunkhouse, with every room opening directly into a barn-loft without any partitions whatever. Men, women and children, young people and adults, the married and the unmarried alike, are compelled to live in this most promiscuous way.

Migrants in the West.—In California the agricultural situation concerns a group of highly specialized local industries requiring an enormous amount of hand labor.

In its annual report made in 1917 the Commission of Immigration and Housing of California described their problem as follows:

> "One phase of labor problems peculiar to California is the direct result of our State's specialized crops where thousands of casual laborers are employed for a brief season of three or four weeks only. Farm crops are not diversified in California and, as a result, there are practically no opportunities for steady or all-year employment of agricultural laborers. The districts where the few large specialized crops are grown are widely scattered and, during the harvest season, the workers have to move over great distances in the course of what is termed the profession of 'following the crops.' This system has built up a class of many thousands of men who have no established residence or home, and who are largely unemployed during from five to six of the fall, winter, and spring months. It might be said that it is only by accident that any of these people are enabled to casually fit themselves into the industrial scheme of things during these months when there is no opportunity for employment in agricultural pursuits. Those who find no casual employment during this time either hiber-

nate in cheap lodging houses, living meagerly on their summer's earnings, or they become public charges.

"The evils of the system are obvious:

"First, the economic waste entailed in this undirected, more or less chance wandering about, hunting for casual, seasonal work during the summer months.

"The first obvious step toward a remedy of this particular evil is the establishment of free labor exchanges or employment bureaus to direct and control the migration of these workers. The State Immigration and Housing Commission, in 1915, initiated a bill to create a system of free State labor exchanges. The legislature established such State employment offices; however, the State was not far-sighted enough to provide funds which would permit of the establishment of this work on a sufficiently large scale....... Furthermore, besides such bureaus of intelligence and information, there must be some arrangement for rapid group movement of this labor by the railroads at reduced rates, and public employment offices will always be handicapped until some constitutional method is devised for abolishing the practice of private offices in charging fees for securing a man employment.

"Second, there is the more fundamental evil of lack of employment for this class of labor during the winter months. Except at times when there is a universal shortage of labor which takes up all the slack, there is a tremendous economic and social loss involved in such unemployment.

"The only complete solution that offers itself for normal times is a change in methods of farming by diversification of crops, providing regular employment in all districts of the State for longer periods of time during each year.

"Another possible solution is an interstate systematized interchange of labor, supervised by a Federal employment bureau.

"Third, there is the equally fundamental evil presented by a large class of laborers who can never become established home builders, or even responsible voting residents of any one community.

"The only possible, final solution of this evil seems to be the abolishment of the whole system that requires an army of migratory workers."

The Rocky Mountain region shows perhaps the most romantic example of seasonal labor in the small number of highly expert sheep shearers who follow their calling up and down the backbone of two continents. By adding South America to their territory they can find almost continuous work, covering the entire year. These men show the international nature of labor migrations. Special co-operation during the War allowed seasonal workers to be interchanged between the United States, Mexico, and Canada by a modification of immigration regulations.

The California Commission has energetically attacked the problem of sanitation in labor camps with the following results:

"In the first year and a half of its existence the commission acted merely as an advisory body in the work of labor camp inspection, with no authority to enforce the improvements which it recommended. In 1915 the legislature amended the labor camp sanitation law, and placed the power of enforcing it in the hands of the commission. But, where possible, the commission still preferred to act in an advisory capacity. In the words of one of its inspectors, 'We talk and work and fight and plead, and only as the last resort do we use the law.'

Courtesy of California State Commission of Immigration and Housing.

A Model Labor Camp

"In the last five years the living conditions of California labor camps have been revolutionized and during these years no serious labor disturbances have taken place in California. Slowly the camp operator has become converted to the commission's point of view.

"One railroad company which at the beginning of the commission's work could claim some of the worst camps in the State, has just agreed to put up model car camps for its section and bridge crews and its extra gangs, and the result of this chance will affect all railroads in California.

"Five years ago, one bath was found in all the lumber camps visited. To-day, practically every lumber camp in the State is equipped with bathing facilities.

"Operators of mines have been ready to make improvements. All of the larger mines and most of the smaller ones have been inspected and improved by the commission.

"Much progress was made in improving the State's farm-labor camps. These are difficult to handle as the farm is often rented and no one considers himself responsible.

"The standard of sanitation for the fruit, berry, and miscellaneous camps has been entirely changed in the last five years. It was in the work with these camps that the commission has evolved its plans for community camps.

"By this plan a number of small holders erect a camp at a central point and operate it jointly. This plan has been already tried and will be undertaken on a large scale next summer in the counties of Fresno, Tulare, and Kern.

"Education in the matter of improvements was not confined to the employers. The Commission itself discovered ever-new methods for improving its own plans, as its experience grew. The advisory pamphlet on the building and maintenance of camps, published in 1915, no longer meets the commission's own standards of 1918, and a revised pamphlet is now nearing completion.

"This pamphlet, with its drawings and descriptions, gives the camp superintendent plans, by which he can make a camp habitable and up to standard at a minimum of expense. It considers the employer as well as the laborer. Not only California has used it, but it has been sent upon request to every State in the union. Recently, the Japanese have translated it into their language for distribution among their countrymen.

"Also, out of the commission's experience has come recommendations for strengthening the camp sanitation law. The law is now adequate for those who stand ready to co-operate with the commission. For the others (those who still hold that anything is good enough for labor) more stringent regulations are needed if the work of camp sanitation is to develop to its fullest capacity."

Lumbermen.—The largest single group of migrant workers is found in the logging camp regions of America. These men are not generally looked upon as migrants, but from a broad point of view they must be considered in this class. As the President's Mediation Commission has put it:

"Partly the rough pioneers character of the industry, but largely the failure to create a healthy social environment, has resulted in the migratory, drifting character of workers. 90 per cent of those in the camps are described by one of the wisest students of the problem, not too inaccurately, as 'homeless, voteless and jobless.' The fact is that about 90 per cent of them are unmarried. Their work is most intermittent, the annual labor turnover reaching the extraordinary figures of over 600 per cent. There has been a failure to make communities of these camps. It is not to be wondered, then, that in too many of these workers the instinct of workmanship is impaired. They are, or rather have been, made disintegrating forces in society."

Location of the camps.—Lumber operations are conducted in every State in the union. There are five areas, however, where the lumbering industry is of prime importance: The State of Maine, the Great Lakes region, the Gulf region, the Appalachian mountains, and the Pacific Northwest.

In the seven States of Washington, Oregon, California, Idaho, Montana, New Mexico, and Arizona there are more than six hundred incorporated logging companies. Some companies have ten "sides" or camps; some only one. The number of men in a camp varies from fifty to one thousand. But averaging three sides of each company and sixty men to a side, it is conservatively estimated that there are 109,000 men engaged in the logging industry in the Pacific Northwest alone.

Loggers.—The logging camps furnish a highly specialized problem. While related to more normal communities in the larger mill centers and in the growing agricultural areas which follow the cutting of the forests, the logging camps are isolated communities, consisting largely of men hidden away in the edge of the forests and cutting forward into them at the rate of about three miles a year. These camps also afford a specialized problem from the fact that, at times, they have been centers of social sentiment and propaganda which is uncompromising in its hostility to the present ownership and operation of the lumber industry.

Radicalism in the woods.—Strife in the lumber industry has its roots deeply fixed in social condition. It is partly a matter of an uncompromising hostility based upon I. W. W. ideas of workers taking over the industry and running it themselves; it is as savage in its attack on craft unionism and the American Federation of Labor as upon the companies and capitalistic management. But it could never have gained such influence except for grave abuses.

Before the War the relations between the men and the companies were acutely strained. The companies were ruling turbulent men with an iron hand. The industry was on a ten-hour basis. The bunk houses were often unfit for human habitation. Wages were unsatisfactory and there was black-listing and locking out in addition to seasons of unemployment. The men were not allowed the slightest right to organize. They came to believe that grave wrongs were connected with the holding of large areas of forest land, and they still resent the fact that land which costs below $10 an acre is cut off from settlement and then held for settlers at $30 an acre. Their experience with the courts, lawmakers, and police authorities often tends to make them lose confidence in orderly procedure.

Improved economic conditions.—Four or five years of steady work at good wages during the War period, elevated the migrant class. Coincident with this came the development of social agencies and reforms, such as the employment service, housing and sanitary improvements, and prohibition that have helped this upward tendency. Probably the most potent factor of all has been the new motive for better living which has been furnished the migrant. He doubted and still does, often with reason, whether society has any decent place for him or any serious demand for his services. During the War he learned that every man was a vital cog in making the world safe for democracy; then came the depression of 1920.

Group attitudes.—We can never feel that we understand the members of a social group until we know their heroes, their enemies, their self-justifications, their friends. And this is particularly true of the casual workers, for their experience is so different from that of the ordinary protected lives around us that we have difficulty in imagining how that "other fellow feels."

The casual who is constantly moving about tends to become conscious of his inferiority in the estimation of those of us who live more stable and normal lives. The terms of opprobrium which are heaped upon him have been alluded to in a poem by an Unknown Author called "The Hobo Working Stiff."[2]

On the road he's a cat, a bloody fink,
And a scissor-bill to spare,
And a bundle stiff is a gentle link
In the names he has to bear.

It is a matter of common knowledge that when people are insulted and reviled, they frequently fight back with fists, with counter accusations, and with vigorous assertions of their own importance. These are called by one school of psychologists the "compensatory devices" by which "inferiority complexes" manifest themselves. Within the literature of the hobo we naturally find dozens upon dozens of these "compensatory devices" by which men keep up the self-esteem which enables them to keep on living.

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[2] See "The Hobo" by Nels Anderson, The University of Chicago Press (1923).

Sometimes we find a direct attack against those who claim to be the hobo's superiors:

"Deliver us from those who make canned beef out of sick cows, mules and horses, and corpses of those who eat it.

"And again, we do not understand why poodle dogs have private baths, and are attended by maids and valets; are shampooed, manicured and kissed, fed on choice steaks and dried cream, while thousands of little children eat out of garbage cans. Christ never said: 'Suffer little poodle dogs to come unto me.'"

Vigorous assertion of his own worth takes the form of insistently pointing out the fundamental nature of the social tasks which he performs. Anyone who has heard the lawyers talk about the importance of administering justice, or the teachers talk about the importance of educating the rising generation will recognize the psychological mechanism functioning here:

Who comes to your rescue in the dense summer heat,
To harvest your rye, your oats and your wheat?
The Hobo, of course.
And out on the prairies on a hot summer day,
Who is it you call on to pitch your new hay?
The Hobo, of course.
Your fruits in their season, who gathers them in,
And packs them with care for market or bin?
The Hobo, of course.
And again, on a frosty—most crimpy fall morn,
Who gets out early to gather your corn?
The Hobo, of course.
Who spends the long winter out in the woods,
And never fails to deliver the goods?
The Hobo, of course.
And in zero weather, when the cold winds blow,
Who harvests your ice, and shovels your snow?
The Hobo, of course.
And who, when there is no work to be had,
Who is it that's haunted and treated like mad?
The Hobo, of course.

The poems of the casual are full of allusions to his common life, his jungles (roadside camps), his flop houses (cheap lodgings), the Salvation Army (the only religious group which reaches him), the country justices (members of the community who often greet him) and jails. The casual is a nomad and he glorifies the wanderlust. Vaguely discontented and hopeful of the glorious time when he shall come into his own, his day dreams and castles in the air are well illustrated by the poem whose refrain is, "One day—some way—I'll make a stake."

Since the organization of the Industrial Workers of the World, the "Singing Wobblies," certain casual types have dreamed of a time when the industrial reorganization of the world shall make his dreams come true. Here is a stirring song, "Paint 'er Red" by Ralph Chaplin, taken from the I. W. W. songbook. It is sung to the tune of "Marching Through Georgia."

Come with us, you workingmen, and join the rebel band;
Come, you discontented ones, and give a helping hand,
We march against the parasite, to drive him from the land.
With one big industrial union!

Chorus

Hurrah! Hurrah! We're going to paint 'er red!
Hurrah! Hurrah! the way is clear ahead—
We're gaining shop democracy and liberty and bread
With one *Big Industrial Union!*

"Slaves" they call us, "working plugs" inferior by birth,
But when we hit their pocketbooks we'll spoil their smiles or mirth—
We'll stop their dirty dividends and drive them from the earth
With one *Big Industrial Union!*

We hate their rotten system more than any mortals do,
Our aim is not to patch it up, but build it all anew,
And what we'll have for government when finally we're through
Is one *Big Industrial Union!*

As years have gone by, the casual laborers have in part organized their common life about the larger centers for the distribution of labor, Chicago, St. Louis, Kansas City, Omaha. In the city of Chicago the portion of West Madison Street near the center of the city is called "the main stem," and there are minor centers on North Clark Street and South State Street. Here are grouped the cheap lodgings, the outfitting shops, the restaurants, the burlesque shows, the Salvation Army halls, and the "Hobo College." This last institution is one of several club houses established by a hobo who became heir to a fortune, and it provides club and reading-rooms for the casuals. Classes in personal hygiene, in economic problems, and in a host of other subjects are conducted in the winter time when a large proportion of the floaters are in town. Open forums are a popular feature and improvised plays and musicales are presented.

The new status.—The migrant has reached a new and higher level of life as a result of the War. Plenty of work at good wages has enabled him to attain better standards of living. Government propaganda gave him a new sense of his social value. As a result, this group developed class loyalty and a certain capacity for organization. The real and striking gains of the War period, however, have in part already been lost, and may easily be lost altogether if the process which helped to create them is reversed. There is a vast permanent demand for seasonal labor. Such labor at best yields a very narrow margin of profit. It is difficult, for many impossible, to find continuous seasonal work. The experience through which the migrant must go creates a serious inclination in him to acquire the permanent habit of seasonal labor. Most labor experts expect a return to hobo conditions. It is most important, therefore, to inquire whether at least some of the gains of the War cannot be kept. Is it necessary or inevitable that the migrant labor class slump back into previous conditions?

Already there are signs which point to the fact that the migrant's War status is declining. With the end of the War, Federal emergency funds which had supported the employment service were no longer available, and it had its 1919 work to do with greatly reduced forces and largely upon the basis of local support. The Kenyon-Nolan bill was prepared to perpetuate the service in something like its war-time scope, but Congress adjourned with the measure still in committee. The result was that outside of Washington, D. C., the Federal employment offices have had to go out of existence.

The difficulties of supplying labor to meet a demand so fluctuating both as to time and numbers are obvious. Before the United States employment service was established, the entire process of labor distribution was very inadequate and inaccurate. Labor was misdirected as often as directed. The result was delay, discouragement, ill-health, bitter feeling and, worst of all, the fixing of the habit of casual work in a large number of workers.

Exploiting the migrant.—If society has reason to fear the migrant, he certainly has greater reason to fear society. As a transient, without the backing of a fixed home and community or of a well-knit organization, it is hard for him to protect himself. The farmer, the private employment agencies, the railroads, the local officials and police fall into an anti-social attitude toward him. The unscrupulous employer uses the seasonal worker as a strike-breaker as did the railroad in the strike of 1922, but with no intention of incorporating him permanently in his industry. Besides there are a hoard of purely parasitic forces which prey on him. The drinking of illicit liquor, gambling, and prostitution are the forms of amusement in the lodging-house districts which he is compelled to frequent. Prohibition and a general clean-up of the cities have greatly bettered living conditions, but a large proportion of seasonal laborers are relieved of their savings as soon as they reach the city. Besides, gamblers and hold-up men follow the harvest work systematically and prey upon the workers. Local news items in the press of the wheat belt have shown conclusively the presence of such criminals. These forces unite to pull down men already demoralized by the conditions under which they are compelled to live.

Exclusion from citizenship.—Unfortunately, society has made it almost impossible for the migrant to improve his condition through policitical means, since our existing voting laws practically disenfranchise him. As John Spargo has put it in the *World's Work:*

> "We penalize the men who provide casual labor by excluding them from the privileges of citizenship. This we do indirectly, but effectively, by making the right to vote, in national as well as local elections, dependent upon residential qualifications which the migratory worker can rarely meet. A fixed residence for a definite period of time, personal appearance for registration on fixed dates in order to vote, forfeiture of the right to vote as a result of moving within certain periods of time, even in pursuit of employment—these are the devices which make our migratory workers a disenfranchised class, a proletariat of peculiarly helpless kind. Many a hard-working, intelligent American, who, from choice or from necessity, is a migratory worker following his job, never has an opportunity to vote for State legislator, for governor, for congressman, or President.

He is just as effectively excluded from the actual electorate as if he were a Chinese coolie, ignorant of our customs and our speech."

The problems.—Migrants are the by-products of seasonal industries. These periodic fluctuations in industry are due to three main causes. In the first place, Nature herself is to blame. Grain must be harvested when it is ripe—bricks have to be baked when the water does not freeze in the clay.

In the second place there is the seasonal demand for goods. For example, straw hats could be manufactured twelve months in the year, but since they are worn only in warm weather we find more than twice as many people employed in this occupation in February as in July.

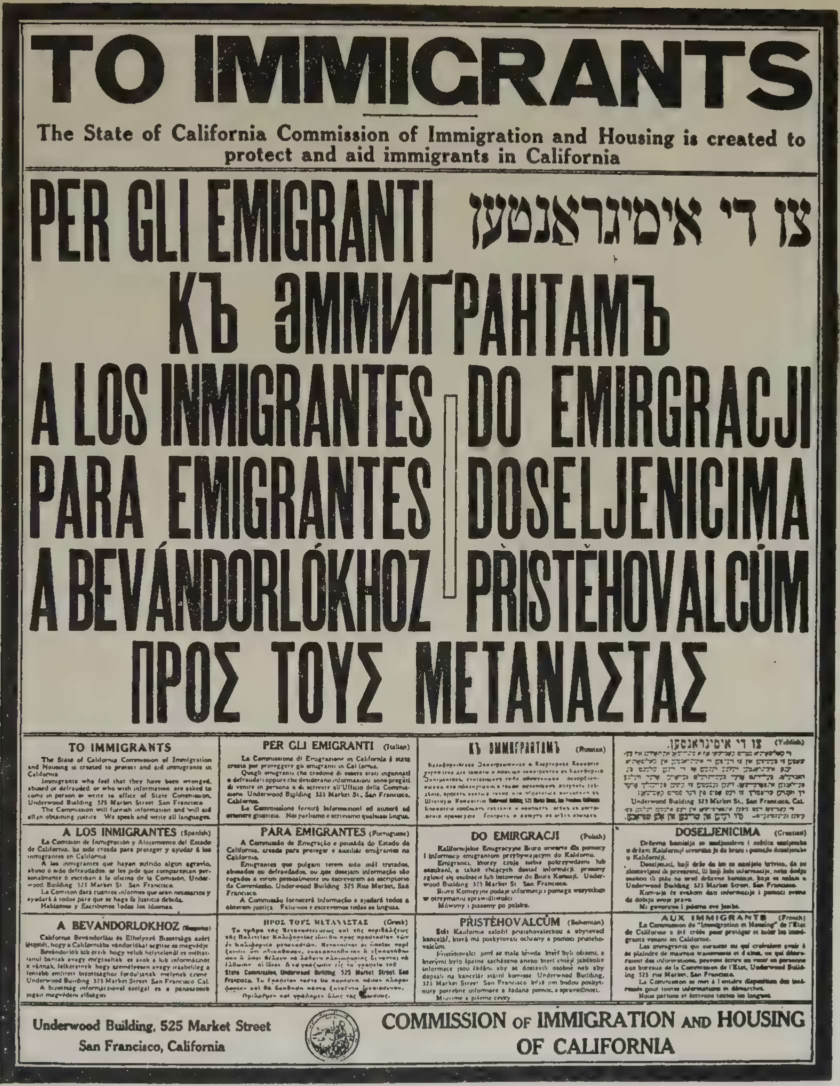
Finally, there is the problem of human nature. After a man becomes accustomed to temporary employment, he may refuse steady work, or any job at all for that matter; but usually he starts his life of vagrancy through necessity rather than choice.

A Federal report.—The Commission on Industrial Relations reporting on migrant labor in 1916 stated that there are several million migrant workers in the United States, even in the best of times, and that the number is increasing; that even if all men wanted to work all the time, very large numbers would be idle part of the time on account of the inequality of seasonal demands; that migrant labor tends to produce a habit and a type of man unfavorable to steady employment; and that the habitual migrant is ruined economically and degraded morally.

The labor market, this report points out, is unorganized, the migrant movement is controlled largely by rumor, and the search for work is practically undirected.

Likewise the local control of the migrant situation is inadequate because seasonal labor is interstate and even international. It affects vast industries and often involves hundreds of thousand of workers at a time, who travel over great distances. The problem, therefore, is of fundamental national importance, since our more basic industries depend on such labor.

The recommendation submitted by the Commission included the development of employment agencies on a national basis such as actually took place during the War; legislation providing for cheap railroad fares for workers traveling under the direction of the public employment service; establishment of workingmen's hotels in all large cities and suitable accommoda-



TO IMMIGRANTS

The State of California Commission of Immigration and Housing is created to protect and aid immigrants in California

PER GLI EMIGRANTI

צו די אימיגראנטען

КЪ ЭММИГРАНТАМЪ

A LOS INMIGRANTES

DO EMIRGRACJI

PARA EMIGRANTES

DOSELJENICIMA

A BEVÁNDORLÓKHOZ

PŘISTĚHOVALCŮM

ΠΡΟΣ ΤΟΥΣ ΜΕΤΑΝΑΣΤΑΣ

TO IMMIGRANTS

The State of California Commission of Immigration and Housing is created to protect and aid immigrants in California.

Immigrants who feel that they have been wronged, abused or defrauded, or who wish information are asked to come in person or write to office of State Commission, Underwood Building 525 Market Street San Francisco.

The Commission will furnish information and will aid all in obtaining justice. We speak and write all languages.

PER GLI EMIGRANTI (Italian)

La Commissione di Emigrazione in California è stata creata per proteggere gli emigranti in California.

Quegli emigranti che credono di essere stati ingannati e defraudati oppure che desiderano informazioni sono pregati di venire in persona o di scrivere all'Ufficio della Commissione. Underwood Building 525 Market St., San Francisco, California.

La Commissione fornirà informazioni ed aiuterà ad ottenere giustizia. Noi parliamo e scriviamo qualsiasi lingua.

КЪ ЭММИГРАНТАМЪ (Russian)

צו די אימיגראנטען (Yiddish)

Underwood Building 525 Market St., San Francisco, Cal.

A LOS INMIGRANTES (Spanish)

La Comision de Inmigración y Alojamiento del Estado de California, ha sido creada para proteger y ayudar á los inmigrantes en California.

A los inmigrantes que hayan sufrido algun agravio, abuso ó sido defraudados, se les pide que comparezcan personalmente ó escriban á la oficina de la Comision, Underwood Building 525 Market St. San Francisco.

La Comison dara cuantos informes que sean necesarios y ayudará á todos para que se haga la justicia debida.

Hablamos y Escribimos todas los idiomas.

PARA EMIGRANTES (Portuguese)

A Commissão de Emigração e pousada do Estado de California, creada para proteger e auxiliár emigrantes na California.

Emigrantes que julgam terem sido mál tratados, abusados ou defraudados, ou que desejam informação são rogados a virem pessoalmente ou escreverem ao escriptorio da Commissão, Underwood Building 525 Rua Market, São Francisco.

A Commissão fornecerá informação e ajudará todos a obterem justiça. Fallamos e escrevemos todas as linguas.

DO EMIRGRACJI (Polish)

Kalifornijskie Emigracyjne Biuro otwarte dla pomocy i informacji emigrantom przybywającym do Kalifornii.

Emigranci, którzy czują siebie pokrzywdzeni lub oszukani, a także chcących dostać informację, proszeni zgłosić się osobiście lub listownie do Biura Komisji. Underwood Building 525 Market St. San Francisco.

Biuro Komisyjne podaje informacji i pomaga wszystkim w otrzymaniu sprawiedliwości.

Mówimy i piszemy po polsku.

DOSELJENICIMA (Croatian)

A BEVÁNDORLÓKHOZ (Hungarian)

Californiai Bevándorlási és Elhelyező Bizottsága azért létesült, hogy a Californiába vándorlókat segítse és megvédje.

Bevándorlók kik érzik hogy velük helytelenül és méltatlanul bántak avagy megcsalták és azok a kik információt kívánnak, felkéretnek hogy személyesen avagy írásbelileg a fentebb említett bizottsághoz forduljanak melynek címe Underwood Building 525 Market Street San Francisco Cal.

A bizottság információval szolgál és a panaszosok jogait megvédeni elősegíti.

ΠΡΟΣ ΤΟΥΣ ΜΕΤΑΝΑΣΤΑΣ (Greek)

State Commission, Underwood Building 525 Market Street San Francisco.

PŘISTĚHOVALCŮM (Bohemian)

Stát Kalifornie založil přistěhovaleckou a obytovou kancelář, která má poskytovati ochrany a pomoci přistěhovalcům.

Přistěhovalci jsou se stále žádá kteří byli oklamáni, s kterými bylo špatně zacházeno anebo kteří chtějí jakékoliv informace jsou žádáni, aby se dostavili osobně neb aby dopsali na kancelář státní komise Underwood Building, 525 Market Street San Francisco kdež jim budou poskytnuty potřebné informace a žádaná pomoc k spravedlnosti.

Mluvíme a píšeme česky.

AUX IMMIGRANTS (French)

La Commission de "Immigration et Housing" de l'Etat de Californie a été créée pour protéger et aider les immigrants venant en Californie.

Les immigrants qui auraient eu qui croiraient avoir à se plaindre de mauvais traitements et d'abus, ou qui désireraient des informations, peuvent écrire ou venir en personne aux bureaux de la Commission de l'Etat, Underwood Building, 525 rue Market, San Francisco.

La Commission se met à l'entière disposition des intéressés pour toutes informations et démarches.

Nous parlons et écrivons toutes les langues.

Underwood Building, 525 Market Street
San Francisco, California

COMMISSION OF IMMIGRATION AND HOUSING
OF CALIFORNIA

Courtesy of the California State Commission of Immigration and Housing.

A Poster in Twelve Languages to Assist the Immigrant in Making Appropriate Adjustments

tions for transients of this class elsewhere; and finally, the establishment of tramp colonies to retrain and re-educate such habitual vagrants as can be made safe for return to society, and to keep the permanently unfit from being a burden and menace to others by permanent segregation.

Economic proposals.—An investigation by the Interchurch World Movement brought out the following points in the field of economic reorganization: The evils of migratory labor might be lessened by decreasing the demand for this type of worker. For example, in the grain harvest such a reduction might come through a further use of labor-saving machines; through crop diversification, which in the grain belt would require more men throughout the year and less extra help during the harvest; and through the introduction of local industries which might even up the seasonal labor in a given locality and reduce the necessity of importing short-time harvest hands. But none of these possibilities promises any great reduction in the total demand for seasonal labor within the near future.

Sequential employment.—The immediate need, therefore, is to make the best of the present situation and devise the most profitable use of casual workers. There are a number of remedies which can be applied at once.

The establishment of national sequences of seasonal employment would enable workers to go from one job to another with the minimum of delay.

An organization of seasonal laborers would enable them to influence the conditions of their employment and best secure the advantages of collective bargaining.

Vocational guidance.—Inasmuch as the harvest army includes a very large number of young men or others who are definitely seeking to improve their conditions, with fair hope of succeeding, it is highly important that vocational guidance be extended to the workers. About one-third of them report themselves as farmers and another third as laborers. On the agricultural side such guidance should hold before young men the opportunities for agricultural education, and should present to all who are seeking a permanent place in agriculture, the opportunity of securing a farm and working into farm ownership and stable citizenship.

Continuous employment.—Rather than to suffer the burdens of inevitable winter unemployment to be visited on a large number of seasonal workers, and of general unemployment in times of industrial depression, it is at least fair to question whether society would not be wiser to devise an artificial demand for labor at such times through the undertaking of such public works as the construction of national highways, the reclamation of agricultural lands, or important civic improvements. The risk of degradation through unemployment is certainly too heavy for the individual to carry alone. It might well be shared by society through some form of unemployment insurance.

Legislative improvements.—Legislative and administrative measures for the amelioration of the migrant ought to include the passage of a bill for legally establishing and perpetuating the Federal employment service. This is essential if we are to avoid the chaotic conditions of pre-war days. There should be general revision of vagrancy laws on the basis of present knowledge, so that the legal oppression of migrants might be mitigated. Further legislation ought to be enacted to protect migrant laborers from fraud and injustice, and to enable them to vote. Finally, sanitary laws and building requirements should be altered in the light of our new knowledge.

For Discussion

1. Is the casual laborer a casual because of his temperament or the kind of work he is called upon to perform?

2. How do you account for the fact that radicalism exists to a greater degree among migratory workers than among more stable types?

3. "There is no remedy for the migratory work problem. Excesses of men will be needed always for short-time jobs." Granted. Can nothing be done?

4. "If some comprehensive system for registering the demand for short-time workers could be created, much waste of time and effort would be saved for both workers and employers." Illustrate the meaning of this sentence.

5. "The coal man is no longer a coal man; he is a moving man, an ice man and a coal man. Just as he has learned to dovetail his tasks and keep employed the year around, so some method of dovetailing jobs for the casual is needed if we are to decasualize such workers." Comment.

6. The State of California has a commission which inspects labor camps, makes suggestions, and, in certain cases, demands changed living conditions. What right has the State to interfere in such matters? If the workers do not like conditions they

always have the opoortunity to leave; therefore, can they not be expected to protect themselves?

7. The managers of labor camps often have trouble in keeping their employees. What do you think would tend to reduce the labor turn-over of casual laborers?

8. Among loggers it is sometimes said that a good cook is more productive than an able foreman. Might this be true?

9. Look at the picture on page 19. Could there be any relationship between the conditions in the hop fields of California and the well-known hop-field riots?

10. How many "inferiority complexes" are you aware of in people? Here are some which have been mentioned commonly: "*A* is sensitive about his fatness," "*B* is sensitive because her father is in jail," "*C* is sensitive because her parents are poor." Think of your own "inferiority complexes." What are those of the hobo?

11. What are some "compensatory devices" which you have observed? For example, "*D* has always been teased and has developed a sharp tongue," "*E* is very lazy and tells what an athlete he used to be." Cite some hobo compensations.

12. One poem reads, "One day—some way—I'll make a stake." This represents a dream and is itself one way of satisfying some wish. Do these dreams have any relation to things a person wishes to do?

13. "The hobo is not so much a victim of economic injustice as he is of laziness." What facts can you cite on both sides of this proposition?

14. "The life of the hobo is an escape valve for those who can't get along with people in ordinary life—many hoboes are wayward persons, cruel husbands, or very sensitive persons." What about this?

15. "The man who won't work is sick and he ought to be treated; the man who can work, but can't find it, ought to be given a job." Comment.

16. "Economic injustice doesn't make people unhappy; unhappiness is due to something more fundamental." "That may

be true, but economic injustice is the most important single factor in our present day unhappiness." Discuss.

17. "The wobblies (I. W. W. members) contain the two extremes—the thoroughly incompetent, the extremely intelligent." (A Harvard graduate, for example, has become a conspicuous hobo poet). Is this statement at all plausible?

18. "I have known many brilliant minds among the hobo ranks. They are keenly alive to the inequalities of modern society and want to help change it." Assume this statement as correct. Did these "brilliant minds" choose the best way to help?

19. Does the hobo have any legitimate grievances against the present order of society?

20. "We ought to thank the wobblies for showing us that other human beings are up against it, can't change things themselves, and need help from all the rest of us." What about this point of view?

For Investigation

Parker, Carlton, H.: "The Casual Laborer and Other Essays."
This essay did more than any other to place the casual laborer in proper perspective.

Anderson, Nels: "The Hobo."
A scientific and "inside" study of the social attitudes of the casual.

Solenberger, A. W.: "One Thousand Homeless Men."
Case studies made for the Russell Sage Foundation by a skilled investigator.

Chapter VI

UNSKILLED WOMEN OPERATIVES

When the European War burst upon the world and millions of men were drawn from productive industry to the trenches, the nations were forced to accept the labor of women as a substitute for that of men in many lines of production. In England, for example, about a million and a half women went into the munition factories, agricultural enterprises, and general manufacturing lines. The attention of the world was thus forcibly called to the importance of women in industry. But as a matter of fact, this was no new thing. Before 1914, there were over twice as many women working in English factories as were added during the War emergency, and concerning the early cotton textile factories of the United States, Miss Abbott has written: "Women formed, roughly speaking, from two-thirds to three-fourths, and in some districts as high as nine-tenths, of the total number of operatives in the first half of the century; but this proportion has been declining until, in the twentieth century, the men outnumber the women."[1] Other lines, however, have been thrown open to women in recent times. In general, the kinds of work demanding skill, strength, or training have remained chiefly in the hands of male workers, while the tasks of routine or simple character, particularly where the material is of an inferior quality are turned over to the women workers.

This penetration of women into all fields of money-making activity is an outstanding, unalterable fact. Most frequently we see them employed as clerks and stenographers, but we find, upon investigation, that many of them work in factories. The number of women executives is constantly on the increase, and women physicians, lawyers, and preachers are becoming more numerous. During the early days of America, before our manufacturing industries were firmly established, Alexander Hamilton urged as one of the advantages of building factories that an occupation would be furnished to the daughters of the farmers and the middle class. Working in the new mills was something of an adventure, and many daughters of well-to-do people became factory employees in the cities of New England. This gave rise to the tradition that women worked merely for the novelty of the thing, and to increase their stock of "pin money." Low wages were justified on the ground that the money would not be productively spent, and that the women were supported by the earnings of fathers, husbands, and brothers. The novelty of factory work soon wore off, and the working force of the various textile mills began to consist of the wives and daughters of laboring men who needed to eke out the family income.

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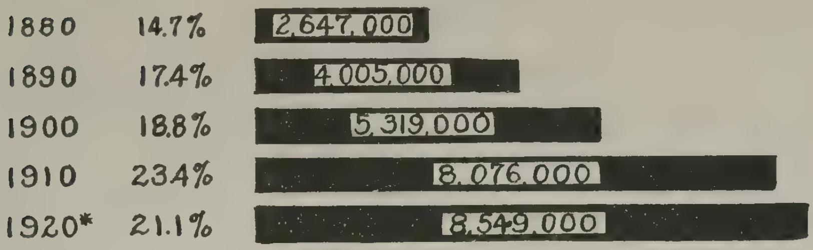
[1] *Journal of Political Economy*, volume 16, page 607.

Number of Women Gainfully Employed in the United States between 1880 and 1920



National Industrial Conference Board Estimate.

~~**Why women enter industry.**~~—The women employed in modern industry work for a variety of reasons. A thorough investigation made by the Federal Government revealed the fact that four-fifths of the working girls turned over all their earnings to the family fund. Thus there are more compelling reasons than the mere desire for pocket money to account for the participation of women in industry, some of which are:

1. The family may need the income of the wife and daughters to maintain its standard of living in case of illness of the wage-earner, the death or desertion of the male, the unemployment of the male, or his low earnings.

2. Girls from small places desire independence from parental restrictions and go to the cities to work and support themselves.

3. Women may dislike the drudgery and isolation of the home, and seek new experiences among the general body of wage-earners.

4. Girls and women are looking toward business as a legitimate career, and choose it in preference to teaching.

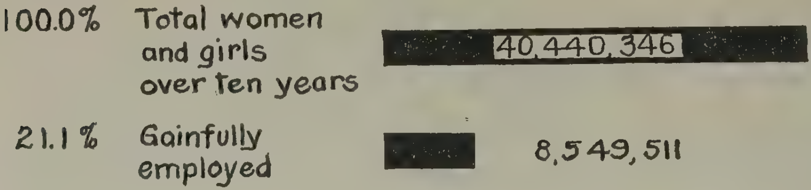
5. Many women crave the sense of accomplishment, of actually doing some of the work of the world; they have come to undervalue the social importance of household and home work.

6. There is a social distinction about working away from home; people talk about it; it carries a certain amount of prestige.

7. Business may bring one into contact with marriageable men of a desirable class.

No one knows just how large a part any of these motives, and others which might be mentioned, play in the participation of women in industry; that is a matter which can only be settled, if at all, by careful inquiry.

Number of Women and Girls, Ten Years Old and Over, Gainfully Employed in the United States, 1920



National Industrial Conference Board Estimate.

Women's wages.—Certain facts about the employment of women, however, are known. One of these facts is that women are generally not well paid, if we compare their wages with the amount some experts estimate as necessary for a healthy, desirable existence. Professor Persons made a study of the income of women wage-earners in the United States in 1915 and discovered that 75 per cent of them were receiving less than $8 a week, and that these wages were further reduced through lost time and unemployment. In a study of "Women's Work and Wages in the United States,"[2] he pointed out that the average for the male workers about the same time he made his study was approximately $4 a week higher.

Many explanations are given to account for the difference between the wages of men and of women:

1. Women cannot always perform the operations men can. They commonly lack skill and are confined to tasks of a routine character.

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[2] *Quarterly Journal of Economics*, February, 1915, page 232.

2. Women cannot move readily from one locality to another, and tend, thus, to have restricted opportunities offered them.

3. Women workers are frequently aided by the husband or relatives. Being subsidized, they are willing to accept lower wages than the self-supporting wage-earners.

4. Women are not interested, commonly, in learning a trade or in developing an organization. Nearly all look forward to matrimony and are unwilling to make the sacrifice necessary for developing trade skill or organization.

5. Wages of women are limited by the elasticity in the supply of women workers. As wages rise many women will be attracted into industry.

6. Because of her physical weakness, and oftener of home cares, her lack of skill, and her feeling that her job is temporary, the cost of maintenance, of supervision, of turnover, and overhead expense in the case of the woman tends to be greater than in the case of the man.

Other facts can be mentioned, such as the influence of custom on wages; the fact that until recently she has been excluded from the ballot; and finally, the psychology of woman, whose modesty and gratefulness often stands in the way of demanding additional compensation.

Even where their work is identical with that of men there are many reasons given for a failure to give "equal pay for equal work." Many women, it is said, really don't have to work to secure support, while of men this is scarcely ever true. The needs of women may be less. They do their own laundry work. They make and mend their own clothes, they take less physical exercise and consequently eat less food. Moreover, it is claimed that it is unfair to pay women equally with men because men are more often the heads of families and thus have others dependent upon them. Back of all this there is still a certain traditional feeling that the place for women is really in the home, and that no added inducement should be offered to keep her from her "legitimate place."

Those who defend the rights of the women workers say that there is less and less truth in the statement that women are without dependents, that lack of skill is largely due to lack of industrial experience which will disappear in time, that lack of organization is due to the same cause and will disappear with it, and that it is unjust to deny women full compensation for what they actually do. In answer to the argument that woman's place is in the home they argue it is time to cast aside the social and conventional restrictions of the past which have been laid down to a great extent by the men, and to recognize equality and freedom of the sexes.

Like men, women find in industry all kinds of situations, pleasant and unpleasant, varied and monotonous. The unskilled workers are regarded by many as living under conditions which are undesirable when it is recalled that women are to be the mothers of the men and women of tomorrow. This accounts in part for the tendency to look upon the place of women in industry as a "problem."

Unskilled women workers.—In the readings to follow, light will be thrown upon the situation of some unskilled working groups. It must not be supposed that the apparent flippancy which comes to the front in some of the accounts is universal; there are plenty of widows with families to support, wives with incapacitated husbands to look after, and girls with serious business ambitions who work. But a true picture of the modern working world can only be painted if we review both the unfavorable and the favorable characteristics of the workers. The first selection has been incorporated to illustrate the difference between the outlook on life of the old domestic servants and that of the more modern working girl.

Our pictures are but partial; the story is far from complete. Yet out of these few readings some progress may be made toward (1) analyzing the unskilled group of women workers, (2) arriving at the motives leading them to participate in industry, (3) examining their industrial position, and (4) becoming familiar with their point of view.

A. The Waitress[3]

"The waitress usually comes from a small town in Michigan, Illinois, Wisconsin, or some State not too far away, and is herself of American birth although she may be of foreign parentage. I have questioned hundreds of girls during the course of my investigation, and I think it is a safe guess that approximately 50 per cent of them were married, 40 per cent were divorced and the remaining 10 per cent unmarried. All alike have entered the life because it offers the most lucrative occupation open to untrained and uneducated women.

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[3] Adapted by permission from "The Woman Who Waits," by Frances Donovan. Published by the Richard G. Badger Press.

"At home the waitress may have been a Catholic, a Lutheran, a Methodist, she may have been a member of a conventional small town group, but when she comes to the city, she puts aside the standards that she has inherited and sets up new ones for herself. These girls say, 'When we stayed at home we did not know anything about life. Now we are working for a living, we know everything.'

"One little girl said to me, 'When I was at home, I used to sit every night by the table and knit, but when I came to the city, it wasn't three weeks before I was goin' out every night to the movies and shows just like all the other girls.'

"The waitress reads almost nothing except perhaps the newspaper (she likes the murders and the evening story especially), and that only in a superficial way, and she does not talk much about what she reads but about things that are to her of more importance. She talks about her work, about the meanness of the 'boss' or the head waitress, about the patrons who 'stick her up' (fail to give her a tip), about her clothes, how much she pays for this or that, about some girl who works with her and whom she does not like, about the divorces that are being obtained by members of her group, about her 'friend' (lover) and about all sorts of human, personal things. Personalities represent 99 per cent of all she thinks worth mentioning in conversation.

"The waitress seeks constant amusement in her leisure time because the rush of her work keys her up to a nervous pitch where she demands more stimulation. But her pleasures do not make for efficiency, they have little or no stability and productivity, and are a great waste.

"One Sunday when I was working at Laconia Park I was standing at the end of a line waiting for my tray to be checked when a girl coming from the kitchen called to me to open the door for her. She had a very heavy tray, so I quickly opened the door and stood holding it until she had passed through.

"She took my place in the line. I attempted to pass her but she blocked the narrow passage with her body.

" 'I was willing to hold the door for you, but I'm not willing to give you my place in the line,' I said indignantly, 'Let me pass!'

" 'Aw, shut up!' said the girl, 'makin' such a fuss because I asked you to open the door. Can't you do a little thing like that for a person without makin' a fuss?'

" 'I'm not making a fuss about the door,' I protested, 'I want my place in the line.'

" 'Well you don't get it,' she said.

"And I did not.

"The extreme individualism of the waitress is responsible for a lack of honor and honesty even in dealing with other members of the Alliance (an organization of waitresses).

"Another vice peculiar to the group is stealing. The girls steal even from each other.

"It is only occasionally that you will find a girl who is willing to tell you about the good places to work.

"One day I was out with a waitress and we stopped in at a restaurant for lunch. She was abominable to the girl who brought our order, found fault with everything, and finally sent the order back to the kitchen. I was much amused for I could see that she was acting over again a scene that had occurred between her and a patron, this time the positions reversed.

"We always mixed a good deal of gossip with our side work at Lane's. One afternoon some one referred to the day that Helen Morris came down to the store drunk. There was no criticism because she was drunk, but indignation was expressed against her friends for permitting her to come in that condition. I did not find much drinking in this group as a rule. Vulgar language and the use of profanity are the most glaring vices.

"It was five o'clock and the two-meal girls at the Cafe des Reflections had returned to the basement dressing-room from the Russian Tea Room where they had spent their leisure time since half past two, and were rapidly changing street finery for demure black uniforms.

" 'Look here, girls,' cried Irene, a lovely tall girl, as she held up for inspection a clinging georgette gown of soft old-rose shade.

"Marietta stood still, Dolly gave her curls a finishing pat, and Mabel and Jennie and Maude and Lorraine stopped powdering their noses and all gave little gasps of admiration and delight.

" 'Oh, where did you get it, Irene?' they all cried as they drew up closely around the girl. And instinctively they put their hands on the dress and caressed it.

" 'It's lovely! just lovely!' some one said.

" 'And isn't it the sweetest shade!'

" 'How much did it cost you, Irene?'

"Good clothes on the street are marks of distinction in the world of the restaurant girls.

"The waitress does not live under the restraint of the public eye and the public does not criticise her. This emancipation has not, however, been won without cost; she gives up the idea of social appreciation which she would get in a neighborhood group, and if she has a social standing in her neighborhood it is quite apart from that which she has with her occupational group. For example, one evening I was working in the Taylor Restaurant, and one of the girls came up to me and said: 'Let me hide behind you, Fannie, I'm so ashamed! Do you see that man and his wife at that table? They are my neighbors and they don't know I work. We pay thirty-seven fifty for our flat and we live in a nice neighborhood and they think we are somebody. If they see that I work in a restaurant, what will they think! Oh, I'm so ashamed!'

Where the waitress works.—"The work of the waitress differs in the various types of restaurants, and depends also upon whether she is a long or short-hour girl (a short-hour girl is employed during rush hours only). The short-hour girl does little or no side work, but spends all of her time in waiting upon people, while to the long-hour girl falls all the drudgery called in waitress language 'side work.'

"In the hash-house, however, even the long-hour girl puts in the greater part of her time in waiting. This is because the hash-house serves meals continuously all day and all night. Short-hour girls come on only to handle the noon rush, and the waiting at all other times is done by the long-hour girl. Most of the side work is done by Polish girls called porters who are hired for the purpose, and the waitress in her leisure moments merely folds napkins, or wipes and fills sugar bowls, pepper and salt shakers, or catsup bottles. In the tea room there is much more side work, tables to reset, silver to clean, glassware to wash and wipe, linen to count, and in some places, the dining-room to sweep.

"The hardest thing that the waitress has to contend with is the rush, and this is to be met in every kind of restaurant at meal time, and I do not know whether it is worse at the hash-house where the men keep up a constant clamor but are content to have you throw the food down on the counter and let them eat it in the midst of the dirty dishes that you cannot get time to remove, or at Usher Lane's fashionable tea room, where if you fail to remember the square of peppermint that should accompany his finger-bowl, the wrathful gentleman will forget your tip.

"But in any place the rush is nerve racking. Your success in handling orders depends not only upon your own swiftness but upon that of the chef and pantry girl and also upon their mood at the time when you arrive. The working conditions in the kitchen during the rush hour were worse at Lane's than at any other place that I worked. It was necessary to have so many dishes on which to serve the food and so many frills. Every little sprig of parsley, every tiny dish of relish, every little doilie of paper lace, meant a long delay, and when you had your tray all set up with the accessories, you had to stand in line an interminable time before the cooks filled your orders, and another interminable time before the checker checked you out. The men got very impatient waiting, but the remark of one of the girls one day explains the situation: 'It isn't because we are such bum hashers, it's the way this kitchen is run.' "

B. A Report of the *Y* Plant of the *X* Company[4]

"I hear tales of many accidents and there are scratches and blisters and cuts on almost all of the hands and arms, and yesterday I saw one girl picking a sliver out with a pin. There are placards all over the place giving warnings about accidents, but they have not yet done their work completely, and the education will have to be continued. One girl showed me scars on her breast where she had been hit by an iron rod thrown carelessly by one of the men. She spent a month in the hospital as a result of the accident.

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[4] Adapted, by permission, from an unpublished report by Mrs. Frances Donovan. Mrs. Donovan entered the *Y* plant as any other worker and stayed there for some time.

"I know several girls now and they talk freely. There is *M* who supports a sick husband and a boy four years old, and *R* whose husband died two years ago and left her with two children; she supports them and her mother who lives with her and cares for the children. She told me that a short time ago, when one of the children was ill, she had to stay home a week and she lost a week's wages. It was tragic to hear her tell it. Another girl was taken to the hospital yesterday in convulsions brought on by worry over how she was going to make ends meet. She is also the sole support of two children.

"While I find my working conditions very satisfactory, I find living as a working-class person difficult indeed. I have no comforts at all at home, not even a comfortable rocking chair, and the bathroom is old, dingy, and chilly. I shiver into my shoes in the morning and comb my hair with fingers that are nearly numb. Then after my breakfast of oatmeal and milk, I catch a car, with my lunch, done up in a newspaper, under my arm.

"I would like to add that I know why the working classes like the movies. I would love to get this minute to one which showed huge lounging chairs, soft davenports, shaded lights, shimmering draperies. And if there should be a picture of a modern bathroom with hot water running merrily out of the faucet, even though it threatened the extermination of the comedian, as it often does, my heart would leap for joy.

"I can get a wonderful insight into factory life here at Miss *P's* because I think every industry in town is represented and the girls talk about their work. They think I am crazy to work in a machine shop and stick up their noses at a person who does 'man's work.' They are engaged in the more ladylike occupation of sewing, knitting, and chocolate dipping.

"I found out that the financial success of your day's work depends not upon the time and effort expended, but upon the class of work handed to you by the foreman or forelady. I also learned that the good jobs, that is, those paying the higher rate were given to the men and that those that were left, and many times the 'scrap' jobs (low rate) were given to the women.

"The piece work system has many drawbacks but I think the workers themselves prefer it. It puts into the daily drudgery the element of chance that gives a fascination to the work and time flies much faster. Then, as one worker puts it, 'those that loaf the most on day work, speed the hardest on piece work and as long as humans are human, I think we will have to have it, but,' she added, 'it is the ruination of a conscientious woman because it makes her so nervous that she can only last a few years at it.'

"The girls get very tired as a result of this speeding up and they lie around a good deal on the wash-room floor. The rest room is up another flight of stairs and they are not allowed to use it during working hours. I have been taking advantage of the wash-room floor also and find it a surprisingly comfortable place upon which to stretch out a tired body at full length and have learned that these brief intervals of rest are great renovators of the human machine which cannot work tirelessly on like the iron one out in the shop.

"The rest room at noon is a great place and a haven of refuge. With its flower boxes, its sunshine, its cheery, raggy piano-playing and raggier dancing, it affords an enormous relief for the tired body of the woman and a chance for sociability with her fellow-workers which is of inestimable value. But, I regret to say, there is little democracy in the rest room; on the contrary the social distinctions are very marked there, for the girls gather in little cliques and there is not much interchange of sociability between the groups. One group I should classify as that of the 'social leaders' of the machine shop, reserves each noon the best table and all the best rocking chairs and there in a corner a little apart they enjoy being 'exclusive' as thoroughly as any group of society belles. And this creme de la creme comes from the place where it might be expected, from the cream separator department. The other girls resent this snobbishness and talk about it, but accept it in much the same way as other women in other ranks of life accept social leadership, and these aristocrats are the most efficient girls in the shop.

"*L*, who has been married two and one half years has a husband who has asthma and who is well and able to work only in very cold or very hot weather. They are paying for a home. *L* is a hard little piece, so hard, so she says, 'that she couldn't cry if you hit her on the head with a brick.' She makes coarse jokes and says she 'doesn't care for nobody.'

"*F* is twenty-four, 'rooms,' and eats in restaurants. She is attractive and wholesome in appearance and insists that French heels are the only kind she can endure. She has just bought (presumably on the installment plan) a Hudson seal coat for which she paid four hundred and fifty dollars, and a hat with 'sprays' of bird of paradise on it. Her 'friend' is coming to town on Saturday and she has hurried up the hat and coat so that she may be fine for him. She says that she does not want to save money, that clothes and a good time are all there are in life, and why save money for a husband to squander.

"One of the foremen told me that the women came in when they needed them mighty bad and that they are very satisfactory workers. 'A woman,' he added, 'will always ask you to help her when things go wrong, where a man would just slam ahead and spoil material because he doesn't like to admit that there is anything he doesn't know.'

"One morning last week there was suppressed but joyous excitement pervading the shop all morning and I heard rumors of a 'speech' that was going to be made at noon. The interest was intense and one girl who was laid off because her machine was being moved said she was going 'to stick around' because she wouldn't miss that speech for anything.

"At noon the workers all gathered in one end of the shop and then a bell was rung for Mr. *K*, the foreman, who was being promoted and leaving the department. He came in much surprised at the assembled crowd and then one of his fellow workers made a nice little speech and presented him with an engraved cup given by his department as a token of appreciation. He responded with a sincerity that could not be questioned and then a gray-haired gentleman whom I have since become acquainted with as Mr. *T* spoke very beautifully. It was all very fine, but what interested me most was the emotion in the shining eyes of the workers as they listened and it was then that I realized what was meant by the '*X* spirit' and the '*X* family.'

"The Halloween party at the club house was a fine example of comradeship and co-operation. Everyone came and I danced with everyone from Mr. *S*, pattern makers and gear cutters to the little trucker from the inspection department."

C. Becoming a Telephone Operator[5]

In the rest room.—"I sat next to a dressy young lady in a blue satin dress with red raffia designs embroidered on it......

" 'Gosh, ain't that stuff fierce?' she said, referring to the recent inquisition at the switchboard. 'Makes me real discouraged. I suppose she'll expect us girls to know all about it just the same's them kids that started yesterday.'

" 'Well,' I said philosophically, 'It'll hurt her worse'n us if we're bum operators when we get through. Say, are you married?' I asked curiously, surprised to see a wedding ring on her left hand.

" 'Sure,' she said. 'Been married twice.'

" 'Twice!' I exclaimed, 'Why you look about eighteen.'

" 'I been married eight years, got a kid seven,' she replied flushing at the compliment. 'I only been married a year this last time though.' She began to giggle. 'Last night I was goin' to a dance,' she confided. 'My husband, he moves families and he had a job movin' some people from Indiana, almost Gary it was. I didn't think he'd be back before 2 A.M. and I was goin' with another fella. An' then what d'ye think? He came back just as I was scrubbin' the floor before I even got dressed to go. Gosh, I was mad.'

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[5] Adapted from the articles by Dorothy Walton in the *New Majority*, (Chicago), December 11, 1920, to January 22, 1921.

" 'Don't your husband dance?' I inquired.

" 'Sure, he dances, but he won't go to 'em any more because then I would.' "

" 'Why don't you go together?' I asked innocently, wondering if dance halls excluded married couples.

" 'Well, once we did go together,' the frivolous wife explained, 'an' I met a guy there I knew. He asked me to dance and I asked my husband if he cared. He said he didn't and so I danced with the guy and then all the fellas wanted to dance with me. That made my husband mad. Oh, gee, but he was sore and he made me come home. I said I'd never go to no dance with him again. And I ain't either. But I go when he don't know about it.'

"Presently a bobbed-haired minx with a cherubic face and spoiled mouth came tripping in to the rest room from the lunch room looking for a partner.

" 'Kin you dance?' she asked me.

" 'Sure,' I said.

" 'Well, come on, I'll lead.'

"She grabbed me about the waist and we started off slowly and painfully. To my chagrin I discovered that I was stepping all over my partner's toes. I looked down to see what her feet were doing. They jiggled in all sorts of patterns at each step she took. This was a dance I had never learned.

" 'Don't you know the cat step?' she asked scornfully.

" 'I guess I don't,' I said rather mortified at my lack of success.

" 'Well, we'll shimmy then,' said the minx mischievously, and to the great delight of the wall flowers she commenced shaking her shoulders about and pushing me along over the floor at the same time.

" 'I don't shimmy either,' I confessed, feeling miserably old-fashioned.

"The minx only laughed derisively.

" 'I been tryin' to lead this girl but I ain't much success at it,' she called out to the wall flowers as she danced me up to the side-lines.

The 'principal' speaks to the new girls.—" 'Now,' said she, with the same brand of piety which 'teacher' exhibited at times, 'I've been with the company ever since I was old enough to work. I have learned that it doesn't pay to get discouraged over new work. If you are discouraged, those higher up can help you. It doesn't pay for you to nurse your discouragements by yourself.'

" 'There is another thing I want to tell you girls about in case you have no home in the city. The company maintains a beautiful home for its telephone operators which will accommodate from 100 to 125 girls.'

" 'Also, if you bring in another girl you will be paid a $5.00 bonus, that is, if she stays three months. If she doesn't stay you will get $2.50.'

Beginning.—"At first it didn't seem so bad. The calls weren't so complicated as they were at the training school. There were fewer toll calls and police alarms and more plain, ordinary calls. But after a while it began to be terribly nerve-racking. It seemed as if all the accidents happened at one and the same time. You could see that the receivers were being jiggled up and down impatiently by the way the lights flickered. And the worst of it was you could only answer one at a time and it was hard to know which was the grouchiest and least patient. First there would be a wrong number, And the next one would say, exasperatingly:

" 'Operator, are you ringing my number?'

"Of course you were and you would have liked to have told her so, but all you could say was, 'I will ring them again,' and jab your cord in again a little harder.

"Then somebody else would say in peevish tones:

" 'Central, vy don't you give me my number? I vas ringing Columbus five thousand six hundred an' eighty-nine.'

"And again you say sweetly:

" 'Columbus 5-6-8-9? I will ring them again.'

"Telephone operators have a certain list of answers they can give. Sometimes they don't exactly fit the question, but if they come anywhere near satisfying the subscriber they must be used. But suddenly you are confronted with a question like this:

" 'Operator, why do you give me such bad service?'

"You could explain that everybody else is wanting you to do something for them too and you'd like to be a little speedier in adjusting all the difficulties, but you are green and it really isn't your fault. But if you said that, heaven only knows what fate would befall you. So you do the only thing you are allowed to do. You plug your connection into the supervisor's jack and at the same time saying in honeyed tones to your subscriber:

" 'One moment please.' "

The others.—"I wondered sometimes after I had left what had become of my former classmates, and in the course of a couple of weeks I met two of the most competent. One had stayed two weeks and the other two days.

" 'Oh gee, I couldn't stand it,' said the one, 'It made me so nervous and the hours were so long. And say, do you know, in the exchange I was in they wanted you to eat all the time. You could have three meals a day if you liked.'

"Queer thing, I reflected, what a hard time this Lady Bountiful attitude has in making its impression. There were not only the free nches, there were theater and concert tickets offered at reduced prices, and there was an arrangement by which the employees could buy groceries at wholesale prices. And yet, with all these things meant to give a sugar-coating to actual conditions, there were many, judging from the turnover, who were not enticed."

D. The Attitude of an Old Domestic Servant[6]

"Work is a great blessing, and it has been wisely arranged by our Divine Master that all his creatures should have a work to do of some kind. Some are weak and some are strong. Old and young, rich and poor, there is that work expected from us, and how much happier we are when we are at our work.

"Boys and girls do not leave school as early as they did fifty or sixty years ago. The boys went out quite happy and manly to do their herding at some farm, and would be very useful, for some years until they preferred learning some trade, and so forth; then a younger boy just filled his place; and by doing this they did learn farming a good bit, and this helped them on in after years if they wanted to go back to farming again. We regret to see that the page-boy is not wanted so much as he used to be; and what a help that used to be for a young boy. He learns a great deal by being first of all a while in the stable or garage before he goes into the gentleman's house, and he is neat and tidy at all times for messages. We have seen many of them in our young days; and even the waif has been picked up by a good master, and began in the stables and worked his way up to be a respected valet in the same household, and often and often told the story of his waif life in the servants' hall.

"The old servant has seen many changes and in many cases prefers the good old ways; there may be some better arrangements made, we cannot doubt that, but we are surprised that good old practices of late beloved employers had been ignored by their own children after they have grown up. Servants need the good example from their superiors and when they hear the world speak well of them they do look for the good ways in the home life. We all like to hold up an employer's good name, surely we do if we are interested at all in our work, and if we feel that we cannot do our duty to them we ought to go elsewhere and not deceive them. We can act as faithful servants and in the end lay down our tools with the feeling that we have tried to do our best.

"We must remember that each one is born in his station in life wisely arranged by 'One Who knows and Who is Our Supreme Ruler.'

"No one can alter this nor say to Him, 'What doest Thou?' so we must each and all keep our station and honor the rich and the poor man who humbly tries to live a Christian life, and when their faults are seen by us may we at once turn to ourselves and look if we are not human, too, and maybe as vile as they.

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[6] Adapted, by permission, from "Memories of an Old Servant," Houghton, Mifflin Company, 1917.

"Nothing brings master and servant closer together than the sudden sore bereavement, and very likely this book could not be written so sad were it not for the many sad days that have been spent in service, and now so very few of these employers are to be seen; and when they are with us we feel that we are still respected by them, for there is the usual welcome—for they would look back the same as we do on days that are gone by.

"How well off the servants are in these years of War, for they have no rent to worry about and no anxiety about their coal bill, nor how food, and so forth, is to be got in and paid for, no taxes nor cares like so many poor working men; they are also sure of their wages when quarter day comes round. It is true they may have a widow mother who requires some help with rent, coals, or food, but there are many who ought to value a good situation, whether in the small comfortable house as general, or in larger good situations where a few servants are, for we have seen them all and know what they have been like, and so we say that all as a rule ought to be very thankful that they are the domestic servant and so study to show gratitude by good deeds to all around, as there is work just now for everyone to do."

E. Outside Help for the Unskilled Women

1. Preliminary statement.—The situation of the unskilled women in industry has from time to time aroused the attention of many social workers, and in 1903–04 some definite action was taken to better their condition. Mr. William English Walling, a scholar, and Miss Mary Kenny, a woman of practical industrial experience, interested the social workers of Boston, New York, and Chicago in their project of forming a National Women's Trade Union League in America similar to the one in England. In Chicago many of the most prominent women were interested from the first, and Miss Mary McDowell (head resident of the University of Chicago Settlement), Miss Jane Addams (head resident of Hull House Settlement) and scores of others became identified with the movement. The object of the organization was set forth in the Constitution of the Chicago League as follows:

> "To promote the interest of the trade organization of women, to forward labor legislation, to assist the local trade unions and to aid the formation of new unions in all trades, especially where the women are employed, such unions to be affiliated with the American Federation of Labor and with their national or international organization if such exists."

The platform of the League was as follows:

"1. Organization of all workers into trade unions.

"2. Equal pay for equal work.

"3. Eight hour day.

"4. A minimum wage scale.

"5. Full citizenship for women.

"6. All principles embodied in the economic program of the American Federation of Labor."

The members included individual trade unionists and sympathizers, various trade unions, and social agencies of various kinds. The work of the League was endorsed by the American Federation of Labor and allowed representation in its deliberations.

Something of an idea of the functions of such an organization comes from an examination of its reports.

2. The activities of the Chicago League.[7]—"Since the last convention the League received eight requests for assistance in organizing. These came from the United Garment Workers' Joint Board, the Cap Makers, the Millinery Workers, the Knitting Workers, the Embroidery Workers, the Broom Makers, the Nurses and Attendants in State institutions, and the Ladies' Garment Workers."

United Garment Workers.—"During the latter part of April, 1913, the United Garment Workers' Joint Board asked for help in organizing the employees of those firms that did not come under the agreement at the time of the general strike. We held enthusiastic meetings and many joined the organization, but in order to counteract this work the employers' association in this trade shortened the hours of labor to fifty-two hours a week and gave a four per cent increase in wages. The workers then thinking they had all they could get for the present time became disinterested in the organization and this campaign ended for the time being."

Waitresses.—"The waitress organization has been on strike for practically a year and a half. First, at the Henrici Restaurant and beginning May 1, 1914, at the Knab, Efting, and Powers Restaurants. There were many arrests in the early part of the strike and the League was able to procure bail for the girls. We were successful in interesting people not directly trade union members themselves but in favor of trade unions and through these friends we held several meetings at which the controversy was put in the proper light before the people. A letter was sent out to the ministers of the city asking them to give a sermon on the day of rest in seven, which many of them did. In March, 15,000 pamphlets were distributed and in November, 10,000, which helped to clarify the minds of the people as to the reasons for the strike."

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[7] Selected from the *Reports* for 1913–1915 and 1916–17.

Embroidery workers.—"During September, 1914, the men of this trade who have been organized for about ten years but who never attempted to organize the women and girls working with them, came to feel that they could not hold their own organization unless the girls were organized with them. The firms locked the men out and declared that under no circumstances would they recognize an organizaton among the girls. They were locked out for six weeks and then the men decided to go back to work, with the result that the strike was declared off until some time in the Fall."

Convict labor committee.—"We were represented on the Chicago Federation of Labor committee and this committee was successful in doing away with convict labor goods sold in the open market in competition with free labor. These goods were manufactured in the Bridewell; this institution is now manufacturing goods for city use only."

"(The Report includes report of health work, unemployment funds, saving funds, citizenship classes, dramatic club, and social activities)."

Legislation.—"In the Fall of 1916, the legislative committee sent a letter to each candidate for nomination to the legislature asking him to state his position in regard to the women's eight-hour bill. Many replies were received and these were tabulated and printed. In several instances these were used in the campaign that followed. Members of the legislative committee appeared before each of the political parties of the State when they were drawing up their platform. The Democrats included an eight-hour day for both men and women, and the Republicans went on record as being in favor of shorter hours for women. The committee secured the introduction of an eight-hour bill in the present legislature. The bill was referred to the Committee on Industrial Affairs of the House and they in turn referred to it a sub-committee of five members to draw up a flexible bill. The recommendation of the sub-committee was adopted and a sub-committee of five was appointed which held the bill up for five weeks and then recommended that the committee report it to the House with the recommendation that 'it do not pass'. . . . Miss Nestor (representative of the League) was prepared to meet objections (to the bill) and did so very effectively by presenting and having read telegrams from the Secretary of War and Mr. Gompers. . . . The bill was placed on the calendar by a vote of 74 to 49. The following week it was advanced to second reading, when several amendments were offered, and the bill was finally killed by striking out the enactment clause.

"The eight-hour bill which was introduced in the Senate will be brought up and we think it has a fair chance of passing.

"The Minimum Wage bill was again introduced in the House of Representatives and an effort will be made for its passage

"An amendment to the Cities and Villages Act providing for fire drills has been introduced in the Illinois Legislature to give Chicago the power to enact laws providing for drills in factories."

For Discussion

1. "The place of women is in the home." To what extent is this a description of the facts of modern industry? To what extent is it correct if it is intended to assert something that ought to be true?

2. "The modern woman demands equality with men in the selection of a career." What effect is this likely to have on the number of marriages? the time of marriage? the size of the family? the "chivalry" of men toward women?

3. "Women work if they are widows or if they want a little pin money." How true is this generalization?

4. "A woman's traditional career is to win a man and have a home; her life interests eddy about this great objective." Is this true of waitresses?

5. "Women are inclined to be selfish and individualistic because they are competitors for every male in sight." Is this an adequate explanation of the individualism of the waitress?

6. Do waitresses show any more interest in clothes than other classes of women? How do you explain the significance of clothes as a mark of distinction among them?

7. Why do people "look down on" the waitress? If the pay of waitresses was increased until the job became attractive financially, would it become reputable?

8. "When people are conscious of their inferiority in the eyes of others, many of them are likely to make exaggerated efforts to offset this estimation." Does this explain the desire of the waitress for good clothes on the street?

9. How do you reconcile the theory that good clothes are desired to compensate for inferiority of social status and the theory that good clothes are desired in order to attract a man?

10. "Dreams are means for the satisfaction of wishes which we cannot satisfy in every-day life." What is the usual stuff of "day dreams?" Does it fit in with this theory?

11. "When we read a book or attend a play we play the parts of those about whom we read or whom we observe." What kind of parts does a working girl like to play?

12. Somebody has characterized the movies as "dreams for the dissatisfied." What are some typical movie plots? What is the significance of the "happy ending"? What is the Cinderella plot?

13. Why do women workers in the factory frequently get the poorer jobs?

14. Is it to the worker's interest to be paid by the piece? Answer this in two sentences beginning with the phrases "Over short periods of time. . . ." and "Over long periods of time. . . ."

15. How do you explain the existence of a social aristocracy among factory girls?

16. "The poor are simply those who are incompetent and jealous of those who are better off." Is there any truth in this statement? Is there any degree of inaccuracy in it? How would you revise the idea?

17. "In some tasks women excel men." Illustrate specifically.

18. How do you account for the loyalty displayed by the employees of the *X* company? What are the enemies of loyalty? Is loyalty always for the best interests of the workers?

19. "The worst thing about modern industry is that it is beginning to know enough psychology to instill loyalty and exploit it at the same time." Before passing judgment on this question, put yourself in the place of a factory girl. Just what facts would you want to know in order to be sure you were getting a square deal? Are these facts available in modern industry?

20. How do you explain the welfare work of the telephone company? Does welfare work pay? Would increasing wages pay better than increasing welfare work?

21. The "principal" told the telephone girls the "higher ups" would help them if they got discouraged. Does this attitude differ to any degree from the attitude of the old servant toward her master?

22. "Modern young people lack respect for their employers." Do they have an opportunity to know them at first hand? Do they have personal evidences of consideration from their employers? Answer this from the standpoints of a clerk in a small town grocery store and a girl in a large factory.

23. "The big problem of modern industry is to restore personal relations between employer and employee." What devices can you name which are intended to accomplish this purpose?

24. "Everybody likes to play the all-wise and the all-bountiful provider. The Czar of Russia was the 'Little Father' whom people were told to respect. Democracy demands disrespect for benevolent autocrats." Is the analogy well taken? Why or why not?

25. Chaucer's "parson" once said, "God has ordained that some folks should be more high in estate and degree, and some folk more low, and that everyone should be in his estate and in his degree." Do modern churches emphasize this point of view? Why or why not?

26. "Religion is the great enemy of democracy. It preaches contentment with a class-bound society." Is there any basis for this charge? Are there other things to be said on the subject?

27. "Nothing brings master and servant closer together than bereavement." Is there any way to bring the modern workers and employers together in common, personally vivid experiences?

28. The slave or the servant is free from worry about food clothes, old age, and the like. What has the modern worker lost? What has he gained?

29. Compare the lot of the waitress, factory hand, telephone operator, and servant with reference to the following: physical strain, opportunity for personal advancement, social position, variety of tasks, joy of creation.

30. Formulate in your own words the best statement of the "labor problem" as you have come to see it. Formulate a set of "labor problems" if you cannot compress your ideas into one sentence.

31. What is the theory of the Women's Trade Union League as to the nature of "labor problems" with reference to the women? Discuss the validity of their theory.

32. To what extent should the women be left alone to help themselves? Is there some justification for the intervention of wealthy women and of social workers in their affairs? Would the government be justified in taking some action with reference to their standards? What action has the government taken that you know of?

34. If everybody in the United States had a high school education, where would our waitresses come from?

35. In the eighteenth century novels, servants were often depicted as lazy, rattle-headed, gossipy, thieving creatures. How do you reconcile this with the account of the "Memories of An Old Servant?"

For Investigation

Abbott, Edith: "Women in Industry."
A scholarly survey.

Booth, Charles: "Life and Labor of the People of London," volume 4, page 256–326.
Unskilled women workers of London. Stresses the work conditions of submerged groups.

Butler, E. B.: "Women and the Trades."
An account of the working women of Pittsburgh.

Donovan, Frances: "The Woman Who Waits."
Experience of a social investigator as a waitress in the city of Chicago.

Parker, Mrs. Cornelia S.: "Working with the Working Women."
Journalistic account of experiences in various industries.

Popp, Adelheid: "The Autobiography of a Working Woman."
The story of a working woman in Vienna, Austria.

Cohen, Rose: "Out of the Shadows."
A personal account of a young woman in New York.

CHAPTER VII

THE CLOTHING WORKERS

One hundred years ago there was no ready-made clothing industry in America. Those who could afford it hired custom tailors or dressmakers; others made their own clothes or purchased apparel from second-hand dealers. With the Civil War came a demand for suits to clothe the armies in the field and almost over-night a marvelous expansion of the ready-made clothing industry occurred. With the coming of peace the manufacturers were able to continue making ready-made clothing for among other things (1) the war experiences taught the manufacturers something about the proportions of sizes, thus making it possible for them to anticipate demand with greater accuracy, and (2) thousands of men had become accustomed to ready-made suits, and were willing to purchase such clothing after the war.

To-day the industry has expanded to include men's and boys' clothing, women's and children's clothing, cloth hats and caps, millinery, corsets, fur goods, men's shirts, collars and cuffs, men's furnishings, including neckwear, suspenders, and garters. Three-quarters of a million people are engaged in the making of clothes, and over half a million of that number are wage-earners who are employed in the ready-made clothing group.

For many years the clothing industry has been a symbol in the public mind for a "sweatshop" industry, and for many years this characterization has been growing less and less accurate.

Clothing unions.—In the needle trades there are to-day half a dozen national unions, and others of less importance. The most conspicuous union is the Amalgamated Clothing Workers of America, which was formed in 1915 by the seceding delegates of the United Garment Workers. The Amalgamated has 175,000 members and practically 90 per cent of the factory-made goods in Chicago, New York, Rochester, Baltimore, Montreal, and Toronto, and other eastern centers of the industry is produced by its membership. The International

Ladies' Garment Workers has 150,000 members which includes about four-fifths of the workers in suits and shirts, coats and white goods, waists, dresses and corsets. The United Garment Workers of America lost control of the manufacture of men's clothing when the Amalgamated broke away from it, but it retains about 50,000 members in the shirt and overall branches of the industry. In addition to these organizations 12,000 Fur Workers who practically control that industry and the Journeymen Tailors, Cloth Hat and Cap Makers, and the millinery trade workers have substantial degrees of organization.

Radical industrial unionism.—Taken as a whole the clothing workers are characterized by radical industrial unionism in which both skilled and unskilled co-operate. It is estimated that from one-fourth to one-third of the members of the various unions are pronounced Socialists, and they do not hide their allegiance to its tenets. Most of the Russian Jews, who are a prominent class in the industry, were not Socialists when they came to this country. Typically they came from small agrarian villages. But the philosophies developed in the Old World together with conditions which they faced in the United States have led many to adopt Socialist formulas.

Industrial rather than craft unionism has been fostered by the racial homogeneity of the Jews and their ability as leaders. Despite the influx of other nationalities, the Italians and the Poles in particular, the Jews have succeeded to a great extent in retaining leadership. As a matter of fact the chief owners and employers in the clothing industry against whom they are organized are also Jews but they came to the United States when the clothing industry was undeveloped; moreover, they are commonly German Jews and there is a sharp antagonism between them and the more recently arrived and less cultured Russian Jews who constitute the workers. This antagonism has tended to unify the workers as opposed to the employers. Additional factors working toward the same end have been (1) the practice of recruiting new members of the industry from the families and friends of those already in it. (2) The concentration of workers in limited city areas, and (3) the ties of religion.

Workers' Education.—No less than their radical industrial unionism, a dominant trait of the clothing workers is their interest in education. Classes are not only held when a strike gives a margin of leisure time, but there is always a demand for regular courses in English, public speaking economics, ethics, and philosophy. Thus, the winter educational program of the Chicago Amalgamated includes Friday-evening meetings attended by 5,000 workers who come to hear addresses by prominent speakers and occasionally music by symphony players and opera stars. Such a program as this was first launched by the International Ladies' Garment Workers in New York in 1914.

It must not be supposed that the classes in economics are always conducted in the spirit of impartiality which is supposed to characterize the academic mind. The leading spirits in this educational work are the Socialists who believe in inculcating orthodox Marxian principles.

In their more philosophical moments many of the leaders frankly confess that the goal of their efforts is the development of a body of workers competent to take over and manage industry. Education has as its goal the fitting of workers for such a task. The recent establishment of an Amalgamated bank in Chicago is but a step toward the goal for which education is necessary.

Arbitration.—The Amalgamated Clothing workers have arranged with their employers to eliminate stoppage by a plan of submitting disputes arising under their contracts to impartial adjudication. An arrangement of this kind appeared first in the New York "Protocol" of 1910–15, and had a separate beginning in the Hart, Schaffner and Marx factory in Chicago. The willingness to refer disputes to arbitration was augmented possibly by the Jewish tradition of submitting difficulties to older men of prestige, and their respect for education which has led them to accept teachers from the universities of the country as arbitrators. A collection of the cases decided under the various agreements reveals a tendency for certain principles of industrial justice to develop which are hailed by some enthusiastic observers as the development of a new "common law of industry."

Equipment and technique in clothing industry.—There are certain general features of the clothing industry which will serve as a background for the understanding of the special characteristics which have been displayed by the workers. On the whole the industry has been largely one of cheap equipment and simple technique, of seasonal production and shifting tasks. As a result of these factors in the situation the units of production have been small, the competition has been excessive, and the working conditions have been difficult to control.

Most branches of the clothing industry have lent themselves but slowly to machine modes of production. The fundamental operations could long be performed with shears, needles, and thread. Even the sewing machine required but a small capital outlay. The technique of the industry was simple and the operation could be performed by women, children and immigrants. The making of clothes became in consequence, a "home industry" to a very large degree. A "contractor" could purchase materials and send them out to be worked up at home. Often he took orders directly from the retailers or wholesalers of clothing, and did not have to pay rent nor furnish equipment. Through his knowledge of conditions he was able to drive sharp wage bargains with his home workers and to minimize labor costs.

Midway between the abuses of the home workers, which still continue in part to-day and the improved conditions of the factory, stands the small shop. The "task system" originated among the Jewish immigrants in New York City between 1876 and 1882, and it is largely a New York institution. In the task system a team of three, consisting of a machine operator, a baster, and a finisher, work together. For every three teams there are employed two pressers and several girls to sew on pockets and buttons and to do a few other simple operations. Each member of a team must complete his work so as to pass it on to the next one as soon as the latter is ready to receive it. The definite amount of work to be done in the course of day is called a "task." Competition has so increased that twelve and fourteen hours of work are necessary, and the pace is terrific. The Jewish workers have been the particular victims of this system on account of their intense anxiety to get ahead, and their dislike for the supervision of the factory. Nervousness and premature incapacity, however, are by-products of the small shop.

The location of such an institution in an immigrant neighborhood gives it certain obvious advantages in the competition for cheap labor, and the small overhead which the keeper of the shop has to meet increases his competitive position in the general market. The existence of these scattered units of production lends itself to the maintenance of home work, for the workers are not discouraged from undertaking work after hours.

The last few years have witnessed a rapid tendency for production to become concentrated under one roof in a modern factory in which machinery permitted specialization of functions. Cutting machines have been developed which shear through a hundred pieces of cloth at a stroke. In some of the large pants-shops 90 per cent of the workers are machine operators.[1] In the Chicago market 70 per cent of the vest makers are machine operators, leaving but 30 per cent who are equally divided among operators, (tailors), pressers, and hand sewers.[1] In the coat processes 22 per cent are machine operators, 30 per cent are tailors, 18 per cent are pressers, and 30 per cent are hand sewers.[1]

The clothing factory.—The factories have some advantages in their favor. Work can be more adequately supervised. Subdivision of process permits greater output per worker. Trade names based on quality can be built up. But the factory must pay for rooms, for light, and for all the other accessories to an independent building, and where rentals are high, large-scale production has few advantages over small-scale production. The factories are also much easier for the labor groups to control, and there is the ever-present possibility that if the costs of labor are pushed too high, the factories will find themselves unable to compete with the slums and the small shops. Much of the trouble in New York, as contrasted with the Chicago market, is due to the fact that the higher rents decrease the advantages of the factory system of production in New York City. Even the Chicago market has had to meet in the selling market the competition of firms producing in other towns where the rent and labor costs were less, and at times the lack of organization in other places has placed the unionized producing factories at a disadvantage in competition with the non-union producers.

In certain branches of the clothing industry the large producer encounters little difficulty in underselling the smaller producers. This applies to the manufacture of overalls, army clothing, and cheap garments which are not affected by changing fashions and which can be manufactured in quantity in advance of demand. This latter point calls attention to another characteristic of industry which has accentuated the tendencies inherent in an industry of cheap equipment and of simple technique.

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[1] Exclusive of cutters. The men's clothing workers in Chicago number 35,000 of whom 10 pei cent are vest makers, 16 per cent are pants makers, 15 per cent are cutters, and the rest are coat makers.

Seasonality of production.—Not only is the demand for clothes seasonal in its nature, but the nature of the demand cannot be wholly predicted in advance. The manufacturers of men's garments employ the most men during February and March when the demand is highest, and May to September. Between these periods, and at times within them, work is uncertain. Even worse is the situation in the making of women's clothes, for here there are two busy seasons, one reaching its climax in March and the other in October. During the time of greatest slump, it is estimated that 23 per cent of the total number of workers (more than one out of five) are adrift, most of them unable to get jobs elsewhere.

This seasonal fluctuation is largely due to the uncertainty as to what the styles are going to be. It would be folly for a clothing maker to accumulate a large stock of double-breasted dark suits if the prevailing demand during the next peak would be for single-breasted light suits. Before 1890 the amount of fluctuation in the making of men's suits was very slight, because the styles were standardized, but as purchasers of ready-made goods became more numerous and began to demand variety it became impossible to make up quantities of goods in advance of the season. With the expansion of the woman's garment trade, the importance of "up-to-the-minute" styles became more and more marked. To-day, feverishly busy times alternate with slack periods.

Few efforts have been made to stabilize the industry as a whole. This is due in part to the many small producing units and the small amount of capital involved. When the capital invested, as in the steel industry, is fixed and specialized, idleness means loss through depreciation and through the accumulation of interest charges. When the small clothing shop or the contractor meets a slack period, little loss results in the way of interest because there is little capital tied up; likewise depreciation is of negligible importance. The fact that small capital investment is necessary to start in business and that there is general ignorance of accounting has led at times to the competition of many who have sold below actual cost of production.

Shifting tasks.—Intimately connected with the shifts of fashion is the constant necessity for the revision of the specifications for individual tasks. Each new model may require special refinements of an infinitely variable type. This constant readjustment of tasks brings with it almost unlimited possibilities of abuse, for the new task may reduce the earnings of a particular worker and compel her to excessive exertion in order to maintain her earnings.

The importance of the slightest change to the workers is illustrated by the fact that girls who specialize on button holes on vests will sometimes lose two or three weeks' wages rather than accept a task making button-holes on coats, for the variation in the size of the buttonholes throws the habit patterns of the worker out of adjustment, makes it necessary to undergo prolonged strain to acquire the new habits and to secure reasonable earnings during the interval.

Accumulated abuses.—Where clothing has been produced on a small scale it has historically lent itself to notorious abuses. The New York Tenement House Commission revealed the shocking conditions under which "home industry" was carried on. (Picture on page 153). Although subsequent events have mitigated the evils set forth in their report, the exploitation of women and children has by no means entirely disappeared from the country. Perhaps the worst offenders are not the large centers like New York, but the smaller industrial and mining towns of the East where a large supply of cheap labor has been brought together. The following is an extract taken from an investigation of industrial conditions in Pennsylvania which was recently made for the State Department of Labor:[2]

"Nineteen per cent (209) of visits to 1113 families revealed 401 cases of child labor, an average of two children in each household. Child labor is even more prevalent than this percentage indicates for women are apt to conceal from an investigator the industrial work of their children since they know that public sentiment looks with disfavor upon the gainful employment of a child under fourteen years of age.

"A series of statements made by investigators, picturing the scenes that they have come upon, present graphically the story of child labor.

"Family *A;* A five-year-old child is sitting on a couch, buttoning little undershirts and trimming the ends of the tape. She has finished a big pile of garments, and has a big pile of them yet to do. Her brother, eight years of age, is running braid through the lace by means of a bodkin. He has a unwound the silk tape, and has spread it on the floor. His hands could not be blacker. His clothes are filthy. At this process he is able to earn a rate of one cent an hour. The father of the family, an Austrian, declares, 'Shirts no good. Me no ruin eyes.'

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[2] Taken by permission from "Industrial Home Work in Pennsylvania," by Agnes M. H. Byrnes.

"Family *B;* The mother has a looping machine which the factory has installed in her home. A daughter six years of age, cuts the stockings apart as they come from the machine and looks for holes. The husband, a machinist, through illness and non-employment works irregularly. Three sons (13, 10 and 8 years of age) turn the hosiery right side out.

"Family *C;* The mother mends hosiery from the mill, while the other members of the family examine and turn them. These helpers consist of an old father unable to get out to work, a husband employed irregularly in a factory manufacturing spokes for wagon wheels, and three children (12, 10 and 7 years of age).

"Family *D;* Rose (13 years of age) finishes policeman's pants. She began to sew on buttons when five years old. She is only in the fourth grade at school.

"Family *E;* The mother sews labels on yokes of men's shirts and her children (11, 10 and 8 years of age) cut labels apart, trim threads, and arrange the yokes in piles.

"Family *F;* The mother makes soft collars for men's shirts. Her husband, a driver, unsteadily employed, runs the sewing machine. Two children (13 and 10 years of age) cut the collars apart and turn them out.

"Family *G;* A mother states, 'I get staves and flags for the children (10 and 9 years of age). They tack ten dozen in an evening for which they get ten or fifteen cents. I give them five or ten cents a week for spending money. I use what is left for their clothes.'

"Family *H;* A mother declares 'I only wrap flags myself. I make the children (14, 12, 10 and 7 years of age) tack flags in the evening, but I have a hard time keeping them at it. I put all the money that they make in the Christmas saving fund.'

Industries in which home work is found.—"Note the predominance of the clothing industry in the manufacture of the following: "hosiery and knit goods; men's clothing and furnishings; women's and children's clothing; rag rugs and other textile products; tobacco; boots and shoes; gloves and other leather; bags for gloves; umbrellas and parasols; hooks and eyes; patent fasteners and pearl buttons; hat ornaments and dress trimmings; men's, women's and children's hats; artificial flowers for millinery; artificial flowers for decoration; products of horse hair; products of human hair; brushes; toilet preparations; chairs; spectacles and spectacle cases; jewelry and silver-

ware; razor blades; gas mantles; gas meters; bolts; paper tags; paper boxes; paper goods; books; note books, folders and calendars; novelty goods; lamp shades; toys; athletic goods; doll's dresses; candy Easter eggs; menthol cough drops."

Many attempts have been made to eliminate home or "sweated" industry as a measure of public safety. Clothing, especially woolen, becomes contaminated with filth and disease germs in the process of manufacture, and the garments which are made in homes infected with tuberculosis, smallpox, scarlet fever, or measles may carry infection into the homes of purchasers. "One cannot quiet his conscience by announcing that he goes to high-priced clothiers for his garments, so cannot come in contact with sweated goods, and hence is free from responsibility in the matter. Such soothing syrup may prove fatal in the end. In the first place, the mere fact of buying expensive clothing does not exempt one from the danger of tenement-house goods. The tailor who charges fancy prices is quite liable to let his work out by contract, and the original contractor, though not a sweater himself, may sublet the work to one who is, and so one's hundred-dollar coat may repose on the bed of a scarlet-fever patient before it is delivered for use. Costliness alone is no guarantee that a garment is made under

Taken from Preliminary Report of the Factory Investigating Commission of New York (1912), Volume I Appendix VII.

Working at Garters

decent conditions."[3] In fact low-priced overalls may be freer from contamination for they are almost universally made in sanitary factories. Legislation against bad housing conditions and the sweat shop system has been called forth to protect the buyer.

Conditions preceding organization.—Prior to the period of organization, workers in many of the small shops and factories were subject to grave abuses. The following account of the experience of a worker in a related branch of industry, glove-making, was prepared by one who had been familiar with it all his life:

Processes.—"The leather is first given out to 'cutters' who with the aid of heavy steel dies and large mallets cut out the palms and backs of the glove. This is a piece-rate task. The palms and backs are passed on to successive women operatives who sew them, attach the cuff, and bind it. This is also a piece-rate task. It is usually accepted that one cutter should provide work for about six operators, although this varies with the kind of glove. Since the glove is sewed together inside out, it is necessary to turn it. The 'turner' accomplishes this by placing one end of a short, tough, hickory stick against his abdomen, inserting the notched end inside the finger of the glove, and coinciding with the notched end of a long, thin, iron rod which extends from the wall. He then works the finger over the stick. Little skill is required to do this and inexperienced help is frequently employed on a day scale. The next operative, the 'layer off,' must be very competent, since it is his task to pull the wrinkled and unshaped glove on the hot steel forms. These forms are in the shape of the ideal glove, and are heated by steam. The problem of the 'layer off' is to form the glove upon these hot dies without scorching the glove or allowing the steam to rise above a certain temperature and blow the form off the nozzle. The succeeding operations are very elementary, consisting only of trimming and stamping the glove with the trademark, inspecting and packing.

Workers.—"In 1901 the *X* Company was the largest in the city, employing over one hundred women operators, about twenty cutters, half a dozen turners, and as many lay-offs. Almost the entire laboring personnel of the industry was made up of newly arrived Poles who migrated to America at the exhortation of friends and relatives who were already at work in the glove-making plants. It was the *X* Company which brought the workers originally to the city and the saying is still honored that every capable worker in the business 'has been broken in by Mr. *X*.' The first attempts at organization were made at this plant and the workers in the other glove factories were invited to join. Few accepted the invitation, for they were warned by their employers to leave the union alone or quit their jobs. The union at the *X* plant called a strike and demanded higher wages. At that time the *X* Company was accustomed to start girls at three dollars per week, and men at six or seven. Later, when they became experienced, the women were supposed to earn about four dollars a week, and the men from eight to ten. The union demanded the the cessation of fine for broken needles, destroyed parts, and so forth, which ate into their wages. A woman employed at that time, who had come to the city at the urging of her sister explained the workers' situation in these words: 'We never got what we were supposed to. The girls that were supposed to get three dollars a week usually got two and a half. I was supposed to get two seventy-five when I started, but the first week I got two dollars. Most of the time I didn't get more than a dollar eight-eight. I often got a dollar eighty-eight but I don't know why they made it eighty-eight. Mebbe they did. When we got experienced they told us we could make more by going on piece-work. And sometimes we made as much as four and four and a half dollars a week. But we never got that much. First, Mr. *X* had to take fifty cents off each girl's pay for power. They used to fine us a cent for each broken needle, and so much, I don't remember how much, for every minute we were late, and for every extra time we went in the washroom, and for the stock they told us we wasted. So if a girl earned four dollars she got two ninety. And my husband, who was a cutter there, used to earn about eleven dollars; they would fine him for wasted stock and broken dies, so he never used to get more than nine or ten dollars.'

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[3] *Ibid.*

" 'The union was the biggest joke of all. We paid in two dollars (in 1901) and went on strike. Then the leaders sold out to *X*, and there we were.'

"Spasmodic attempts to organize were easily crushed, and the union became a poor joke among the workers. One of the officials of the *Y* factory explained the lack of organization among the glove-makers as follows: 'In the first place you must remember that the Polish glove-makers are among the most ignorant and stupid persons in all industry. They are entirely illiterate, and have no more idea upon things than earthworms have. This is what has made them so open to the exploitation of merciless employers in the past. They are saved today by the general trend of humanity toward things better, and by the fact that so many of them belong to clothing unions.'

"The clothing unions have maintained a price level much higher than the glove-makers and have forced up wages in related branches of the outfitting industry.

"The employers complain of the ignorant worker. Here is a diatribe delivered at a stolid, sullen cutter by a factory foreman: 'D . . . that stupid Polack! If he could only put that bone head at work upon the simple problem of doing as he is told, he might do something right for a change. They're all like that; they haven't any brains at all. But what is more, they don't give a darn.' One of the workers expressed himself confidentially as follows: 'Why should I work harder? Do I get any more? Will they make me boss? No. I'm a Polack. Do I like the boss? Sure, he's all right. Most of the bosses, though, are crooks. They make a fellow work for as little as he can.'

"As a result of the indifference and unreliability of the workers, all samples or unusually careful work is undertaken by a foreman or by an occasional 'trusty.' "

Barriers of language and poverty and sex combined to keep the union "the biggest joke of all" for many years among the glove workers, many of whom were laid-off workers from various branches of the clothing industry. And it was not until the workers in the ladies' and men's garment trades became successfully unionized that the glove makers were given any hope. The grievances of the glove makers—juggling piece rates, starvation wages, irregular payment, excessive charges for incidentals, and the like—were the grievances not uncommon to other lines of the clothing industry. It was not until the historic strikes in 1910 of the clock and suit makers in New York and of the men's ready-made suit branches in Chicago that the workers were able to take effective steps toward the control of conditions.

The story of the New York strike has been retold many times, and work of the Joint Board of Sanitary Control in the improvement of working conditions has been justly praised. The innovation of the "preferential shop" on suggestion of Mr. Brandeis furnished a precedent for many other markets. Under its terms the employers agreed to hire union members first in a period of activity and to lay off any non-union workers first during a period of inactivity. A board of grievances and an arbitration board of appeal were set up under the agreement and functioned with varying degrees of success during the protocol interval.

The outcome of the Chicago strike in the development of "industrial law" is so significant that some space will be devoted to it here.

The Chicago strike of 1910.—Stung by what they considered to be years of accumulated abuses, 40,000 workers rose and marched out of their shops and factories without so much as a formal union organization, without any particular leaders, without a strike committee, and without pre-arranged plans. Mr. Joseph Schaffner of Hart, Schaffner and Marx confessed that the strike of the workers came upon him unawares:

> "Shortly before the strike I was so badly informed of the conditions that I called the attention of a friend to the satisfactory state of the employees. It was only a few days before the great strike of the garment workers broke out. When I found out later the conditions that had prevailed, I concluded that the strike should have occurred sooner."

What were the conditions which upon retrospect appeared to furnish the workers with such ample justification for revolt?

While the general discontents and grievances of the workers were not new in 1910, a situation had developed in the Chicago market which made them especially unbearable. Small tailor shops had opened up over the city to furnish competition to the makers of ready-made clothing, and this brought all of the clothing manufacturers, with one exception, into a combination to exterminate the little fellows by reducing them to contract shops. The one big firm which stayed out of the combination was Hart, Schaffner and Marx, who, in response to a move by the Wholesale Clothiers' Association, proceeded to withdraw all work from contract shops and to carry on all processes under one roof. In order to compete with Hart, Schaffner and Marx the association houses cut their labor costs by slashing the prices which they were willing to pay the small contractors. Caught between the struggle of the large rivals, the little fellows had no apparent alternative but to pass the reduction on to the workers in the form of lower rates and more strenuous driving.

The individual workers, confronted by the same difficulties and smarting from what they considered heaped up injustices, finally struck. To their support rallied the Chicago Women's Trade Union Leage, the National American Suffrage Association, workers in other clothing markets, and many liberal-minded citizens. After many months Hart, Schaffner and Marx signed an agreement with their workers, although association houses refused to do so.

The Hart, Schaffner and Marx agreement provided for an arbitration committee of three to adjust grievances, and out of this grew a permanent board of arbitration to which the worker might appeal if his grievances were not satisfactorily adjusted by the management. The company acted in complete good faith and established a labor complaint department and called in a trained man to take charge of it.

The new machinery was so untried, personal grievances so many, and the arbitration board so overwhelmed in consequence, that insurrection was threatening, when a new adjustment was made providing for a trade board composed of representatives of the union and the company, together with an impartial chairman selected by a joint committee. The Trade Board was to relieve the board of arbitration, although its decisions might be appealed. Gradually the representatives of the union and the company were reduced in number until finally the chairman alone composed the trade board, a deputy for each side arguing the cases before him.

The procedure for handling disputes is summarized as follows in an official publication of the Amalgamated:[4]

> "Complaint is filed with the Labor Department, and two deputies of the Trade Board, one for each side, are informed of the case. They conduct a joint investigation in the shop and try to adjust the grievance. If they fail the case is automatically put on the Trade Board docket. The Trade Board then hears the case, calls witnesses, and either makes a decision or sends the case back to the deputies with instructions or recommendations. Gradually, as the machinery developed, decisions of the Trade Board came to be made more and more often by the deciding vote cast by the fifth member, the chairman. Thus the institution of the 'Impartial Chairman' came into existence. The making of piece rates, which became one of the functions of the Trade Board, is handled by a rate committee of three, one representing each side, and the third the Chairman of the Trade Board. In practice, however, the actual making of rates is usually done by the two members of the committee without the Chairman. In their decisions they are guided by the general rules agreed upon or laid down by the Board (for example, changes in prices must correspond to changes in work). If the two agree, specifications and rates are recorded and put into effect. If they cannot agree, the full committee meets and makes a decision. Appeal may be taken from this decision to the Board of Arbitration if necessary, but no alterations are permitted after a decision has been made without the permission of the committee, or on appeal, without permission from the Arbitration Board."

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[4] Chicago Joint Board, Clothing Workers of Chicago, 1910–1922, Page 59.

Principles and practices of adjudication.—The "general rules" referred to have been developed in the decisions of the trade board and the board of arbitration, and they have been applied since 1919 through the entire Chicago market by the trade board for the Wholesale Clothiers' Association and by the board of arbitration which considers appeals from both the Hart, Schaffner and Marx Trade Board and the Association Board. In the course of actual adjudications there has been a marked tendency for general principles to emerge, and it is to these that the title "common law in industry" is sometimes given. But among the various precedents set are many which have not been reduced to a recognized rule, and it is important to keep in mind the fact that principles frequently emerge when a line of cases reveals a particular trend. Limitations of space will not permit an elaborate discussion of the practices and principles developed thus far, but some of the more typical precedents will occupy our attention.[5]

Mutuality of obligations.—The general attitude of those who interpret the contract entered into between the employers and the clothing workers is that the intent of the arrangement was to set up a status of reciprocal rights and duties which is to be safeguarded. Thus, the decision of the Chairman of the Board of Arbitration, ordering a 10 per cent wage cut throughout the market, in 1921, specifically declared that his intent was never to "undermine the general standards set up by agreement in 1919"; he justified the reduction on the ground that the decline in the cost of living had been so substantial that the parity of bargaining power under the agreement was endangered unless the balance was redressed.[6]

This conception of the mutuality of obligations set up under the contract has been extended to permit the equitable settlement of cases relative to which no specific clause is to be found in the original agreement. Professor J. H. Tufts cites a case which arose during his service as Chairman of the Board of Arbitration:

"A certain firm in addition to its main factory had opened and carried on for some weeks another factory, in which a different quality of clothing was made. This proved unprofitable and the firm decided to close this branch. The agreement had no clause explicitly covering such a situation. A clause which was found for a somewhat analogous situation reads: 'When sections are abolished, the company and its agents shall use every effort to give the displaced workers employment as much as possible like the work from which they were displaced, within a reasonable time.'

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[5] The material here given is primarily based upon Part III of the Amalgamated publication referred to above. (Prepared by Mr. Paul Wander.)

[6] Board of Arbitration, Decision of April 14, 1921 (Chairman H. A. Millis).

"The Board of Arbitration held that the fundamental understanding which underlies the agreement is that the parties treat each other with mutual consideration, and that this would require either notice of sudden closing of a shop, or some provision to enable workers to find positions, or such other method of meeting a situation as might appear proper to the Board. In reply to the objection that men not infrequently left employ without notice, the Board declared that if the whole body of workmen or such a large number of them as to cripple business were to leave suddenly without notice and go to another shop or for any other purpose, the Board would consider that this firm has a just grievance and would hold the union responsible to prevent such mass movement without proper notice."[7]

The same anxiety to protect the status established by negotiation has led to the development of the principle that "the employer is limited in the choice of means for promoting efficiency to such devices as do not create invidious distinctions between the workers or otherwise impair the efficiency of the union." It is important to the preservation of the status that the company be restrained from dealing individually with the workers, and thus lead the workers to suppose that their interests are more adequately taken care of by the company than by the union, for the entire agreement hinges upon the sufficiency of union power. A case in which an "honor system" was introduced among the finishers created a privileged group whose coats were not systematically examined, and at the instigation of the union it was ruled that it endangered the union "by creating dissatisfaction and disharmony among its members." The company was advised to promote efficiency in some other way.

The union, on its side of the bargain, is held responsible for eliminating "stoppages"—departmental desertions from work without notice. This sectional stoppage was the most effective tool which the unions used to compel recognition and the workers have had to be educated away from it by degrees.

Introduction of machinery.—The practices relative to the introduction of machinery are of the utmost importance, for the employer wants to cheapen costs of production, the worker wants protection from loss of earning power and the antiquation of his skill, the public wants both cheaper prices and less suffering from industrial maladjustments. In a case hinging upon the introduction of a stamping machine which would do part of the work of a trimmer and a joker sewer, the question was raised as to who should man the machine and what price should be paid, the trimmers' scale being higher than the "joker sewers." The chairman of the board of arbitration ruled that "considering the responsibility connected with the operation, the prior claims of the trimmers, and the fact that even recently most of the work involved had been done by the trimmers, it is held that the trimmer should be placed upon the machine and a price made which, with efficient operation, will yield trimmer's earnings." He went on to state that, although the decision does not give the company the greatest immediate gain from the new machine, he believes that "the company's interests are best served in the long run by avoiding the development of opposition to machinery and new methods." Because of such an attitude, the Amalgamated has refrained from fighting the introduction of new machinery.

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[7] Condensed from an article by James H. Tufts in the *Columbia Law Review*, May, 1921.

Readjustment of tasks.—With respect to the constant readjustment of tasks, which is such a marked aspect of the clothing industry, the rule has been laid down that "in fixing the rates (of new tasks) the Board is restricted to the following rule: changed rates must correspond to the changed work and new rates must be based on old rates where possible." Where this is impossible, existing market rates may be taken as the standard of fairness.

Transfer.—May a worker be transferred from one section to another of a factory at the will of the employer? Very early in the history of arbitration it was decided that such a change should involve no reduction in the worker's earning power, unless adequate cause, such as inefficiency, could be shown. An interesting problem came up in the case of *F*, a worker in the under-collar section, who protested his transfer to the matching table. He regarded the change as a demotion, and the chairman of the board of arbitration decided on appeal that in the absence of a reason for demotion, the change was unjustifiable and likely to provoke resentment and consequent discontent.

Customary conditions of work.—Workers feel that customary conditions of work should not be arbitrarily interfered with by the management, and they protested an order by an employer to begin at 7:30 in the morning instead of 8:00 o'clock as customary. Their claim was sustained by the trade board, the general principle in this and similar cases being that "management is free to organize and reorganize processes of production up to the point where these touch the interests of the workers in the form of changes in the wages, hours, or other conditions of work." In the latter event the condition can only be changed by agreement or arbitration and not by executive order. The criteria set up for determining the competence of management to exercise administrative powers to introduce a technical improvement are, first, the existence of an emergency, and second, the maintenance of already established standards.

Personal freedom.—Striking gains in personal liberty have been secured by the workers under the system. A shop rule prohibited the worker from leaving the shop without a pass. The worker, desiring to see a doctor, had been refused a pass by a foreman and required to submit to medical examination by a company physician. The trade board ruled that "compulsory attendance on the company's physician would be a limitation of personal liberty not stipulated in the agreement nor established by general practice," and ordered the worker reinstated with pay for the time lost. The workers are given the right to have a garment in dispute held for investigation. Other cases could be cited. Indeed the gains have broken through the customary frontiers of control by management to such a degree that to some, at times, it seems as if management is prevented from being efficient.

Discharge.—In contrast with the personal liberty of the workers, an area over which the manager's control has generally been absolute is the matter of discipline. In the case of two trimmers discharged for fighting in the shop, the trade board ordered reinstatement without pay for the time lost, since "Their conduct was wholly uncalled for.... This is their first offense of this sort, however." Thus the right of discharge is subject to the impartial machinery, which has refused to approve of this extreme measure in the case of first offense and a clear record, severe provocation, or other extenuating circumstances. The arbitrary levy of fines by foremen has been overruled, although the trade board levies fines whenever it thinks proper.

In the days before the agreement foremen were regarded as the irresponsible agents of the employer, who in many cases paid them bonuses in proportion to their success in stimulating production, a situation which led many foremen to be abusive and intolerant. The board may now discipline foremen for abusive language and other improprieties.

An important limitation on the right of discharge is in the case of the union representatives who are working under the agreement. Since the shop steward is liable to incur the enmity of his immediate superiors, the board has ruled that he may be discharged only by the board.

Another far-reaching restriction on the right of discharge is the rule that workers may not be dismissed, even during the probationary period, where it can be shown that the cause is personal discrimination in any form.

During the slack periods the equal-division-of-work principle has been applied to avoid the disintegration of the working force and unfair priorities to a few. Rather than permit wholesale discharges in order that a few may work full time, the entire working force is employed part time.[8]

A "common law" for industry.—Enthusiastic friends of the arbitration proceedings under the joint agreement have not been slow in perceiving the development of a definite set of principles, defining the relative rights of employers and employees and legitimately entitled to be regarded as the germs of a possible common law for industry. With respect to the claim that principles of adjustment are emerging under the agreement there can be no dissent. While not all of the practices reviewed within the brief confines of this chapter have yet been rationalized into definite rules of general application to prospective cases, there are a sufficient number of definite rules to warrant the assertion that principles are being developed.

It is important to stress, also, the purposes which a growing body of rules may serve. All adjudication desires the rapid adjustment of conflicting claims, and this is especially important for a newly-established system which must win the confidence of impatient contending parties who are not bound to the procedure by habits of deference. There are many cases which involve practically the same state of facts, and whose settlement is much simplified by the development of well-recognized modes of settlement. These cases tend to be adjusted "out of court," or to be disposed of readily in court. A body of rules also serves the ends of justice, for it serves to call attention to aspects of a case which may not be apparent at first, but which ought to be considered. Justice is also served since a particular mode of adjustment comes to be regarded as a matter of right by subsequent litigants, and any attempt to abuse judicial discretion is easily revealed.

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[8] Compare this summary of the Chicago development with that in Rochester, New York. See E. W. Morehouse, "Development of Industrial Law in the Rochester Clothing Market," *Quarterly Journal of Economics*, February, 1923.

The fact that such matters as these can be recognized should not obscure the fact that adjudication under the arbitration agreement is much less of an "impartial review" and much more of an accommodation to shifting balances of power than is adjudication in the civil law courts of the State. The agreement whose terms are to be administered corresponds much less to a legislative enactment than to a treaty negotiated by two independent nations. There are conflicting group interests in the legislature, of course, but there has already been an agreement to subordinate group conflicts to a definite and orderly determination, the vote of the majority. When the representatives of the employers and the employees come together they do not appear as members of a legislative body whose disagreements are to be settled by the convention of a majority vote. The decisive and imminent test of their relative bargaining power in the negotiation of conditions to be observed is their power to do each other injury by direct economic action. The workers can suspend work and hinder the filling of contracts which the operator has agreed to; the employer can declare a lockout and invoke the aid of the regular courts to keep his strike breakers from intimidation by the dispossessed workers. The limitation of the "rights of the employer" on behalf of the "rights of the worker" has hinged fundamentally on the rising power of the workers to do economic injury to the managers of industry.

The negotiation of a new agreement comes at recurrent intervals. Whether the workers are to achieve new victories depends upon their relative strength at that time; whether the manufacturers are to resist further advances and perhaps recover lost ground depends upon their relative strength. The threat of force is always near; constitutional government in the clothing industry is merely a name and not a fact.

A crucial period of negotiation is always before the workers and the employers, and every move in the interval is governed with an eye to the fighting strength of the contestants. The significance of this situation is brought out by Professor Tufts as follows:

> "The immediate issue presented for adjudication does not always disclose the root of the matter. Shall there be any limit to the number of apprentices, or shall a firm engage as many as it desires? At first it seems a simple matter of recruiting and training necessary craftsmen, or, to a teacher, a matter of affording a vocational opportunity to a boy. But it soon appears as a question of balance of power: the more apprentices, the greater the supply of skilled cutters; the fewer apprentices, the better control of the situation by the union. Who shall select the candidates? It appears at first the obvious province of employment management. But it soon emerges that the foreman who has it in his power to appoint may strengthen his hold upon a given worker by promising to appoint the worker's son, whereas if the union has the right to nominate, the prestige of the union organization is correspondingly increased."[9]

It is the precarious equilibrium of the conflicting forces that places so much emphasis upon those personality factors which might ordinarily be of less importance. A critical situation may be saved by the tact and skill of a John H. Williams (first Chairman of the Board), the wide acquaintance and general confidence in a James Mullenback (Chairman of the Hart, Schaffner and Marx Trade Board since its inception), or the universal respect for the ability and impartiality of the university men who have served on the board of arbitration and as labor managers for the companies.

For Discussion

1. How do you account for the policies of the garment workers—their radical industrial unionism, their interest in education, their willingness to submit to arbitration?

2. "Some woman fresh from a little town in Russia or Poland, unable to read and write, might within a week after her arrival in this country be working in the shop of a garment contractor." How does this explain the problems of the industry?

3. "The miners are radical because they are geographically isolated; the clothing workers because they are socially isolated." What is the meaning of this?

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[9] *Columbia Law Review*, May, 1921.

4. Does a seasonal industry promote unionism or retard it? How do you account for strong unionism in the coal industry?

5. A million dollars is invested in one factory, a thousand dollars in another. It is true that the bigger factory will be more anxious to avoid idle periods? Why? Do you know of any specific cases in your community where these things have been illustrated?

6. "The clothing industry is the best example of the benefits which the factory system can give the workers." Discuss.

7. "The freedom of a woman or a child to work for any one at any time or at any place should not be infringed upon." How could you justify the passage of a law prohibiting child labor or the employment of women more than eight hours a day?

8. "The clothing workers are a dangerous lot; we oughtn't to allow a lot of foreigners to come over in this country and run our business for us." Do you find evidences of danger in the Amalgamated policies? What would have been the effect of prohibiting immigration on the development of this country?

9. How do you account for the steady rise of the factory system of production in the garment trades?

10. Just what were the specific "abuses" referred to in the chapter to which the workers objected? Discuss each one from the standpoint of the justice of their claim. Take both the workers' and the employers' viewpoints.

11. "Excessive competition has been the curse of the clothing industry. The 'little fellows' couldn't deal justly with the workers, because 'big fellows' wouldn't deal justly with them." Discuss this statement in the light of the Chicago experience.

12. "Competition is the life of trade." Cite some examples of what you regard as competitive situations. Try to frame a definition of competition. Is competition always justified? If not, under what circumstances should combination take its place?

13. "If the government had interfered and secured decent working conditions for the clothing workers, they would never have become Socialists." Is this true? Should the government

have intervened? Are there similarly hard industrial conditions in certain lines, which the government should remedy? Or would you prefer to see the battle fought out?

14. "The rights of the employer are unlimited." Is this true in the clothing industry? Be specific.

15. "The rights of the workers are absolute and inalienable." Is this actually true in the clothing industry? Be specific.

16. "Men are born free and equal and endowed with certain inalienable rights." Comment on this theory.

17. "A right is anything people are accustomed to doing. It rests in the last analysis on the consent of the community or the force which can be exercised by the private party." Discuss.

18. "Property rights are like all rights; they are fluid, changing things." Cite limitations on property rights in the clothing industry. What do you suppose will be the next limitation on property rights?

19. "The limitation of the right to discharge undermines the efficiency of industry." Discuss this on the basis of the experience of the clothing industry.

20. Just what is meant by making wages a fixed charge on industry? Does an unemployment insurance plan do so?

21. What are some of the "principles" which have emerged in the Chicago arbitrations? What are some of the practices discussed which are not yet rationalized into "principles"? How would you state the "principle" which seems to be governing the decisions relative to discharge?

22. "Adjudication always tends to develop rules." Some educational institutions have "honor commissions" to deal with cases of dishonesty. Do rules and principles emerge from their findings? Can you cite other cases in which this proposition may be tested?

23. "Rules promote speed and justice." Expand.

24. "The agreement whose terms are to be administered corresponds much less to a legislative enactment than to a treaty negotiated by two independent nations." Explain the significance of this observation.

25. To what extent is it correct to characterize the decisions rendered by the impartial chairman as establishing a "common law of industry"?

26. The limitation of the "rights of the employer" "has hinged fundamentally on the rising power of the workers to do economic injury to the managers of industry." Is this strictly true?

27. One official said that the glove workers were saved by a "trend of humanity toward better things." Can you point to any evidence in support of this proposition? Can you reconcile it with the statement in the preceding question?

28. Do the glove makers owe more to the "trend of humanity toward better things," the shutting off of immigration after the War, or the competition of other clothing makers for workers?

29. Why do the clothing workers favor more immigration? Does not immigration mean more competition from cheap labor?

30. What in your estimation would be the desirable qualities of an impartial chairman? Where would you go to find competent persons to fill the place?

31. The railroad men have been unwilling to submit grievances to arbitration "by outsiders who know nothing about the business." Is their objection to arbitration valid?

32. "When all is said and done, arbitration is agreed to simply because the workers are weak." Comment.

33. If collective bargaining agreements are merely to be regarded as truces, how could industry be organized so that rules regarding working conditions could be "legislative enactments"?

For Investigation

Cohen, M.: "Law and Order in Industry."
  Summarizing the history of the New York Ladies' garment trade under the Protocol.

Budish, J. M. and Soule, G.: "The New Unionism."
  An account of the progress of organization in the clothing industry written by two men in touch with the movement.

Chicago Joint Board: "Clothing Workers of Chicago," 1910–1922.

The history of the development of "industrial law" in the Chicago market.

Hass, F. J.: "Shop Collective Bargaining, A Study of Wage Determination in Men's Garment Industry."

A very recent survey.

Federated American Engineering Society: "Waste in Industry."

Points out the technical losses due to seasonal production.

PART III

THE POSITION OF WORKERS UNDER MACHINE INDUSTRY

Whereas the worker tends to think and feel in terms of immediate and specific incidents, back of the immediate and specific lies a broad trend of events that must be envisaged. Moreover, specific present-day work experiences must be retained in light of the trend of these broader forces of control. The presence of many trees must not conceal the forest.

Chapter VIII

THE ADVENT OF THE MACHINE

Printing presses, steam engines, turbines, telephones, foundries, smelters, and blast furnaces play such a fundamental role in modern industrial society that we are inclined to forget that our forefathers of one hundred and fifty years ago lived their lives without them. It is not difficult to contrast the inventions and conveniences of modern life with the material equipment of that age. The steamboat dates from 1807, the railroad locomotive from 1815, the power printing press from 1814, the manufacture of paper from wood pulp (which made cheap and abundant reading possible) from 1854. The basis for instantaneous communication was laid with the invention of the telegraph in 1837, and in 1858 the first trans-Atlantic cable bound the continents together. The indispensable telephone was put in practicable form in 1876, the wireless in 1896, and the radio in 1921. Photography was developed in 1839 and the moving picture in 1890. None of these things were in existence a century and a quarter ago, and none of them were dreamed of by other than a little band of imaginative thinkers.

Machine production.—The production of modern food and clothes and building is intimately related with the complex servants of iron and steel which have been called into being through the slow progress of science and invention. Machinery driven by mechanical power began to develop about the middle of the eighteenth century and gained a momentum which transformed the economic life of England during the period of the "Industrial Revolution" from 1760 to 1830. This technological reconstruction of the basis of society has gone on with undiminished vigor ever since. Through long centuries of recorded time and through longer eras of unrecorded time, human beings upon this earth were accustomed to produce the essentials of life with the aid of a few simple hand implements. During the period under discussion new tools were invented, tools were combined into machines, machines were built to make machines, and again machines were built to make these machines. Steam was harnessed to the task of supplying power to run the new appliances, and in these later days water power is transformed into electrical energy for this purpose.

Problems of the machine society.—It is customary to remark as an American sociologist has done that "The modern social problem has been created neither by the labor agitator nor by capitalistic greed. It arose inevitably out of the development of machine industry." This statement is likely to overemphasize, however, the inherent significance of machinery unless promptly qualified. Rather, the modern problems of society have arisen out of the relationship of people to people, a relationship which has been conditioned by the machine and also by a host of other factors. The social process is an interaction of many influences, the machine is but one of these.

The Handicraftsman

The lag in social adjustment.—Certainly one of these forces is the "cultural lag" between any fundamental change in the technological mechanisms of society and socio-political adjustments[1]. The students of society who emphasize this conception

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[1] In Keller's "Societal Evolution" the cultural lag is referred to as the strain toward consistency in the mores.

A Machine Worker

believe that modern social problems are unsolved largely because of a cultural lag which has not yet come abreast of the maladjustments created by the new technology, and which would have occurred upon the appearance of any great technical change. They emphasize the recency of the machine:

"Let us assume that a single generation of men has in fifty years managed to accumulate all that now passes for civilization. They would have to start, as all individuals do, absolutely uncivilized and their task would be to recapitulate what has occupied the race for, let us guess, at least five hundred thousand years. Each year in the life of a generation would therefore correspond to ten thousand years in the progress of the race.

"On this scale it would require forty-nine years to reach a point of intelligence which would enable our self-taught generation to give up their ancient and inveterate habits of wandering hunters and settle down here and there to till the ground, harvest their crops, domesticate their animals, and weave their rough garments. Six months later, or half through the fiftieth year, some of them in a particularly favorable situation, would have invented writing and thus established a new and wonderful means of spreading and perpetuating civilization. Three months later, another group would have carried literature, art, and philosophy to a high degree of refinement and set standards for the succeeding weeks. For two months our generation would have been living under the blessings of Christianity; the printing press would be but a fortnight old and they would not have had the steam engine for quite a week. For two or three days they would have been hastening about the globe in steamships and railroad trains, and only yesterday would they have come upon the magical possibilities of electricity. Within the last few hours they would have learned to sail in the air and beneath the waters and have forthwith applied their new discoveries to the prosecution of a magnificient war on the scale befitting their high ideals and new resources. It is not so strange, for only a week ago they were burning and burying alive those who differed from the ruling party in regard to salvation, eviscerating in public those who had new ideas of government, and hanging old women who were accused of traffic with the devil. All of them had been no better than vagrant savages a year before. Their new knowledge was altogether too recent to have gone very deep, and they had many institutions and many leaders dedicated to the perpetuation of outworn notions which would otherwise have disappeared. Changes had taken place so slowly and so insensibly for so long that only a very few persons could be expected to realize that not a few of the beliefs that were accepted as eternal verities were due to the inevitable misunderstandings of savages."[2]

This presentation of the matter has the advantage of reviewing the current scene from the perspective of centuries, and it suggests that all of our social problems would exist in any changing society although the complexities precipitated by machine industry have a vital part in the problems we face today.

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[2] James Harvey Robinson, "The Mind in the Making," pages 83–85.

Machines accelerate change.—Economic classes arise out of difference of function. When people play different parts in a co-operative task, conflict is likely to appear. In fact, the chief significance of the introduction of machine production has been in the extent to which it has accelerated the fundamental changes in the functions performed by people which were already under way. The fourteenth century has been regarded by many historians as one of those "golden ages" in which the forces of society were for a time in harmonious equilibrium. From a modern point of view many problems were present, but long familiarity with unequal status promoted resignation to situations that would incense present day workers. However, valid as this qualification may be, it is certain that the clergy, the land-owning nobles, the townsmen, and the peasants were the constituent elements of a social order with unique and distinguished achievements to its credit. In the towns production was in the hands of guilds which set forth rules in the interests of quality and price. The individual apprentice or journeyman could aspire to an independent position in his guild and crown his mature years with an assured status as his own manager, subject to such amendments as he and his fellow master-craftsmen might be willing to make, to the rules prescribed by custom.

Subtle forces were making for the break-up of the social equilibrium. The trade area was expanding over the world with increasing rapidity, and the result was a new situation demanding new adjustments in order to exploit the new markets. The financial guilds and the mercantile guilds began to launch commercial enterprises unregulated by the old guild codes. Individual enterprise came to the front and won for itself large economic rewards because of the rapidity with which it responded to the new situation.

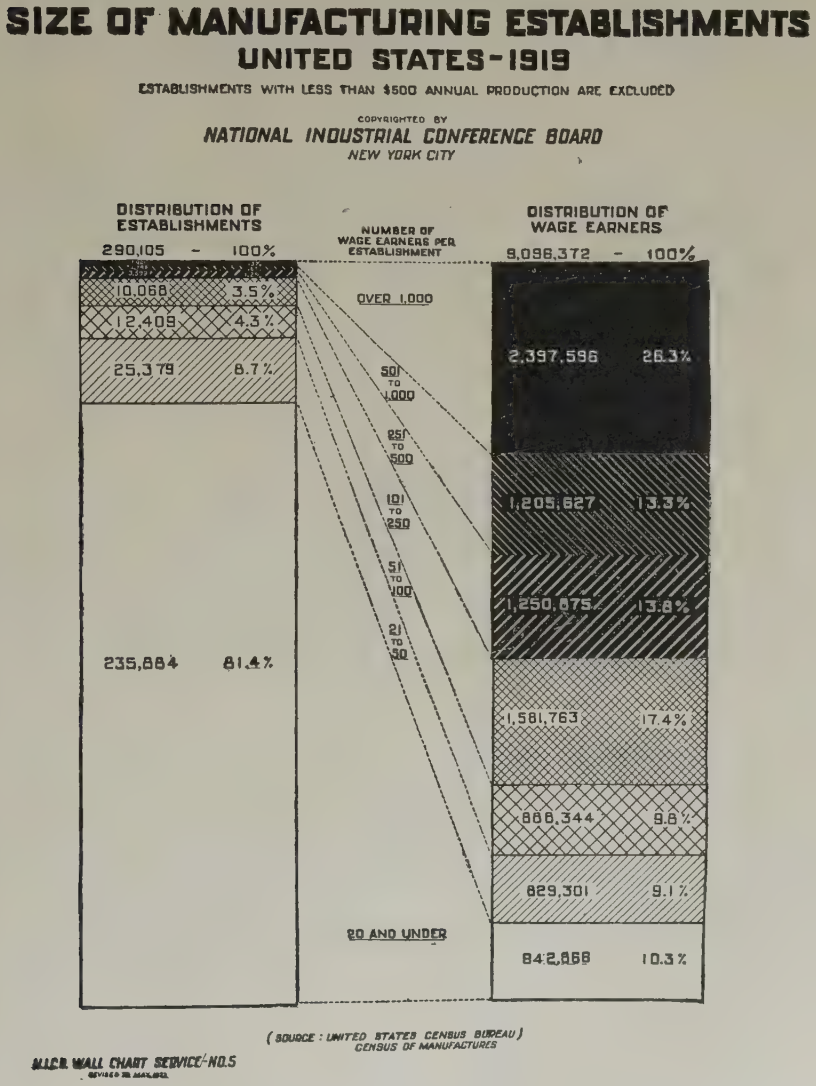
The spreading net of trade revealed more accurate pictures of the world and led to the reconstruction of the cramped picture of the world perpetuated by the mediæval church. The re-discovery of certain types of classical learning stimulated a new freedom of inquiry. A long series of other forces acted and interacted with one another to raise new problems and to stimulate individual inquiry. The revolutionary hypotheses of Copernicus and Galileo and the methods of measurement which they endeavored to apply were manifestations of the new scientific spirit which accepted no authority but that of the exact measurement of observable changes. The accumulated body of knowledge based on exact measurement led to the inventions which endeavored to manipulate the natural environment, not merely for purposes of description, but for purposes of communication, transportation, and production.

England.—There are many historical circumstances which explain the appearance of the "Industrial Revolution" in England rather than in Italy where the new learning first put in appearance. These it will be impossible to go into here. We are concerned merely with the fact that England had also witnessed industrial changes due to the expanding foreign market which had disrupted the simple guild society of the earlier centuries. The master craftsman had originally performed the functions which are today differentiated among several individuals or organizations. He worked with his own tools side by side with others in the shop, he acted as a foreman in so far as he directed the work of the others in the shop, he was an employer who hired his journeymen and apprentices, he did his own merchandising to local customers and brought together the raw materials for fabrication, and he conducted a small shop. Gradually with the expansion of the market through the forces of improved transportation, discovery and colonization, and growth of population there emerged divisions of labor which continued until half a dozen industrial classes emerged. The new classes included large merchants who confined their activities to merchandising entirely, large and small shopkeepers who combined merchandising on a smaller scale with shopkeeping, merchant employers who combined merchandising with the employing of workers, large masters who acted as employers and foremen, small masters who worked in the shop and supervised the others, and journeymen who were simply workers.

The final results of this process which took four centuries, from the end of the thirteenth to the end of the seventeenth century, were:

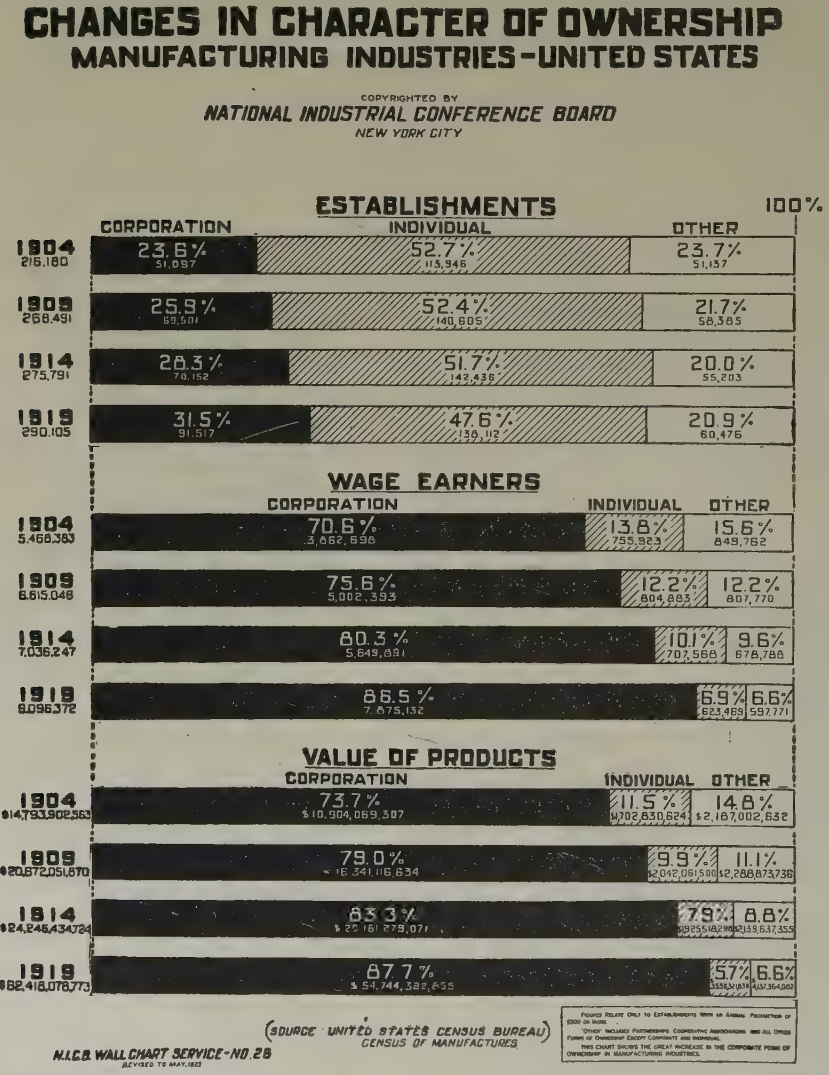
> "The great inventions of the eighteenth century accelerated the movement already in progress toward the capitalization of industry, the outcome of which was the entrance of the modern factory system. In most of the leading industries the small master was driven to enter

the wage-earning class, whilst the large master was transformed into the modern capitalist employer, who leaves the internal and technical affairs of his business largely to the management of subordinates, in order that he may more fully devote himself to its relations with the outer business world. Nowadays the functions of employer, foreman, and workman belong to entirely separate classes; indeed, to say merely this, is very far from expressing the degree of specializa-



Courtesy of National Industrial Conference Board.

tion that has taken place in the internal economy of the great industrial concern."[3]



Courtesy of National Industrial Conference Board.

Ownership in a machine society.—The differentiation of industrial society into various groups was merely accelerated by the introduction of machine methods of production. The new equipment cost hundreds of dollars and it was obvious that the ones who could afford to purchase it were the large merchants, the merchant employers, and the large masters. The possession of the equipment carried with it the dictation of the conditions of work, and thus there grew in modern society the exaggeration of the great cleavage between those who own and those who do not.

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[3] George Unwin, "Industrial Organization in the Sixteenth and Seventeenth Centuries," page 13.

The extent to which the concentration of production into large aggregates has gone in the United States is brought out by charting establishments in terms of wage-earners employed.

Subdivision of processes.—The subdivision of industrial function is carried out very minutely on account of the subdivision of the old craft processes of production into a multitude of operations. These changes may be illustrated from the history of the boot and shoe industry.

Shoemaking prior to 1830.[4]—"The tools and processes of shoemaking in all countries and ages prior to 1830 were few and easily mastered. Skill and good materials made excellent shoes fit for a princess; but the same tools and processes were useful for making the crudest shoe such as mediaeval serfs wore. From time immemorial there have been 2 parts to a shoe; an upper and a sole; 4 processes in making a shoe; cutting, fitting, lasting, bottoming; 8 tools necessary for making a shoe: knife, awl, needles, pincers, last, hammer, lapstone and stirrup.

"The four processes could be performed adequately with just those eight tools by any frontier farmer in his colonial kitchen. From 1620 up to 1830, there were no machines for preparing leather, nor for making shoes in Massachusetts, or anywhere. A lapstone and a hand-made hammer were used for pounding the leather; a single knife for cutting both soles and upper leather. An awl to bore holes, and a needle or a bunch of bristles were necessary for sewing the shoes. This process was called fitting, and consisted of sewing the parts of the uppers together. When the upper was fitted, it was slipped in the last, which had an insole tacked to it, and its lower edge pulled over this wooden form tightly with pincers until it could be fastened temporarily with nails. Then the outer sole was either sewed or pegged on to this lasted upper. The last in the shoe was meanwhile held firmly in place by a strap or stirrup, which passed over it and down between the shoemaker's knees where the shoe rested, and was held taut under his left foot.

Shoemaking in 1920.—"More than fifty of the hundred operations in the modern shoe factory may be performed by machine. The following list of departments and processes in a shoe factory comes from a report of the United States Department of Labor:

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[4] From "The Organization of the Boot and Shoe Industry in Massachusetts before 1875," Blanche Evans Hazard, Harvard University Press, Cambridge, 1921. Pages 3–4.

Cutting Department

Cutters, lining, cloth.
Cutters, vamp and whole shoe, hand.
Cutters, vamp and whole shoe, machine.
Skivers, upper machine.

Sole-leather Department

Channelers, insole and outsole.
Cutters, outsole.

Fitting or Stitching Department

Backstay stitchers.
Button fasteners.
Buttonhole makers.
Closers-on.
Lining makers.
Top stitchers.
Top stitchers or undertrimmers.
Vampers, hand.
Vampers, machine.

Lasting Department

Assemblers, for pulling-over machine.
Bed-machine operators.
Hand method lasting-machine operators.
Pullers over, hand.
Pullers over, machine.

Bottoming Department

Buffers.
Edge setters.
Edge trimmers.
Goodyear stitchers.
Goodyear welters.
Heel breasters.
Heel burnishers.
Heelers.
Heel scourers.
Heel-seat nailers.
Heel sluggers.
Heel trimmers or shavers.
Levelers.
McKay sewers.
Rough rounders.

Finishing Department

Treers or ironers, hand.
Treers or ironers, machine.

Urban-rural specialization.—Machine industry brought a remarkable impetus to the division of labor between rural and urban areas. The old mediæval towns had received additions from the country under the curious rule that a serf who remained successfully concealed from his master for a year and a day might become a free citizen. But nothing like the wholesale migration of population from country to city following the advent of the machine has ever been known in world history. The workers found themselves city dwellers and faced with all

Percentage of Population in Cities of Over 10,000[5]

Country	*1800*	*1850*	*1890*
England and Wales	(1801) 21.30	(1851) 39.45	(1891) 61.73
Scotland	17.0	(1851) 32.2	49.9
Prussia	(1816) 7.25	(1849) 10.63	(1890) 30.0
U. S. A.	(1800) 3.8	(1850) 12.0	27.6
France	(1801) 9.5	(1851) 14.4	25.9
Russia	(1820) 3.7	(1856) 5.3	9.3

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[5] Weber, A., "Growth of Cities."

Percentage of Total Population Dwelling in Cities of Over 100,000

Country	*1851*	*1891*
England and Wales	22.58	31.82
Scotland	16.9	29.8
Prussia	(1849) 3.1	12.9
U. S. A.	(1850) 6.0	15.5
France	(1851) 4.6	12.0
Russia	(1856) 1.6	(1885) 3.2

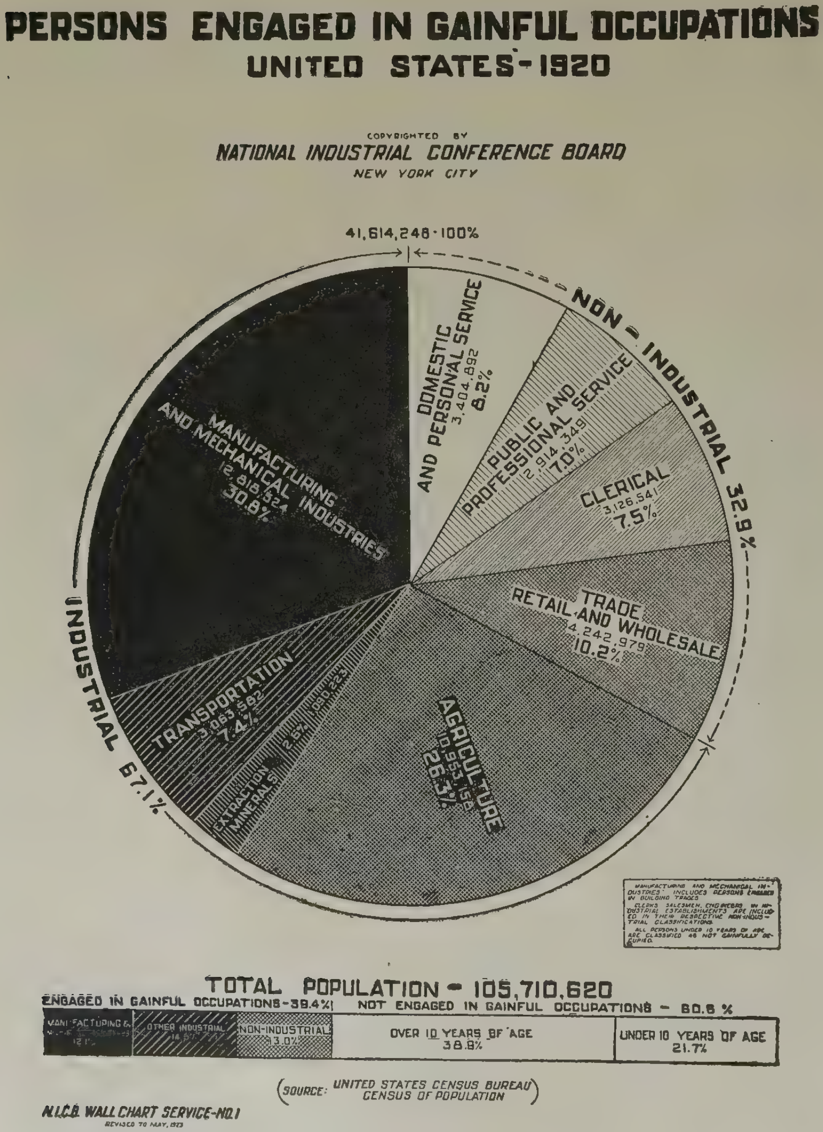
the difficulties of adjustment to a new community environment.

Increasing production and increasing numbers.—The new machine methods of production multiplied the producing power of society many times over. In the United States one hundred and fifty years ago, scarcely a pound of steel was produced because of the length of time necessary to fabricate it by means of the prevailing technique. Steel was one of the novelties and luxuries of the world and it was utilized only for the highest grade cutlery. By 1860, the introduction of machine methods permitted an output of 35 tons per day, and this was pushed to 50 tons per day ten years later. Within five years this figure was doubled and another five years saw it doubled again. By 1890 the daily output was 300 tons, and since the opening of the twentieth century the mark has risen to 1,500 tons per day.

Since the year 1800 the world's output of coal has jumped from about eleven and a half million tons to over six hundred million (long) tons. The world's railroad equipment included not a single mile of track in the year 1800; today there are nearly four hundred and fifty thousand miles. The per capita value of international trade at the opening of the nineteenth century was $2.31; by the opening of the twentieth century it had risen to $13.27 for each man, woman and child.

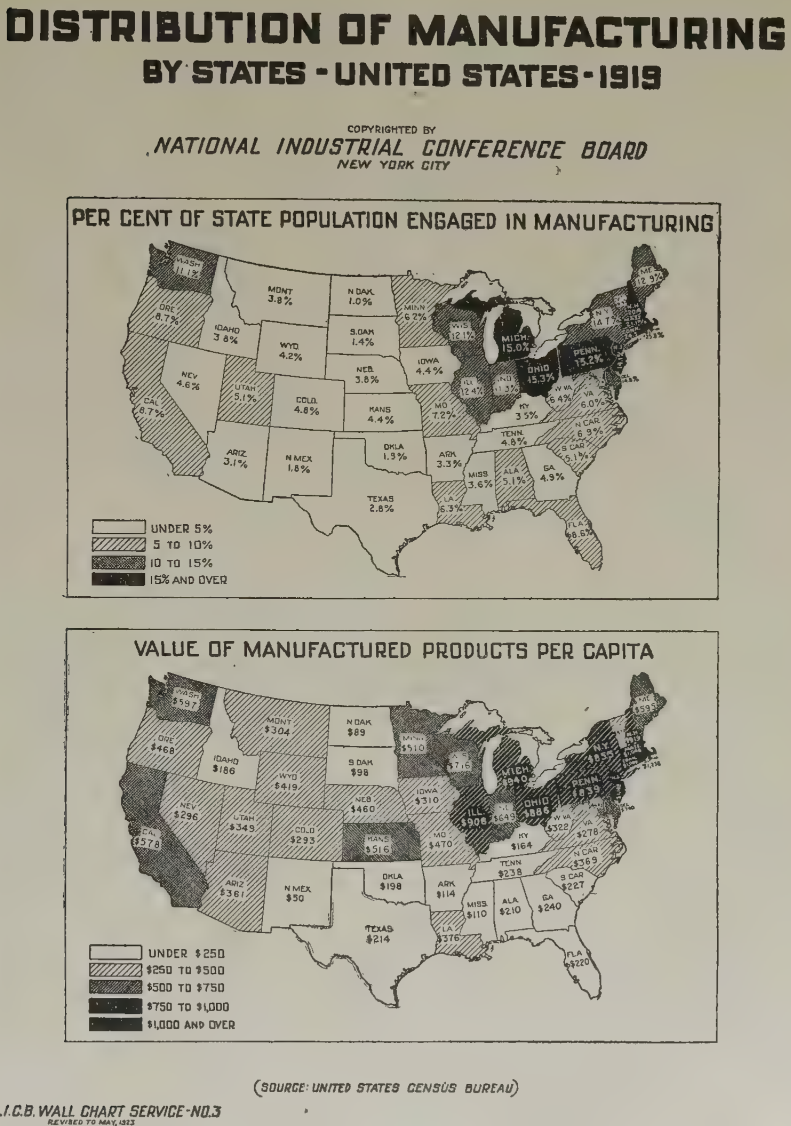
Illustrations of these prodigious increases in the wealth-producing power of society could be amplified from every line of economic enterprise. This development permitted, and was in turn augmented by the increase in population. In the year 1700 the population of England and Wales was 5,475,000, and by the end of the century it had risen to 9,168,000, an increase of two-thirds. The industrial revolution had just begun to influence the rate of growth, and its full effect was not observable until the nineteenth century. By 1901 the population of England and Wales had multiplied to 32,527,000, three and a half times the total in 1800.

The occupational groups in which those gainfully occupied found themselves in 1920 are revealed by the following chart:



Courtesy of National Industrial Conference Board.

Widening the area of economic life.—All of the consequences of the innovation of the machine involved the rapid widening of the area of economic life. The feudal manor was practically self-sustaining, and the mediæval town secured its food from


DISTRIBUTION OF MANUFACTURING
BY STATES - UNITED STATES - 1919
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NATIONAL INDUSTRIAL CONFERENCE BOARD
NEW YORK CITY
PER CENT OF STATE POPULATION ENGAGED IN MANUFACTURING
WASH 11.1%
ORE 8.7%
IDAHO 3.8%
MONT 3.8%
N DAK 1.0%
MINN 6.2%
WIS 12.1%
MICH 15.0%
N Y 14.7%
ME 12.9%
S DAK 1.4%
WYO 4.2%
NEB 3.8%
IOWA 4.4%
NEV 4.6%
UTAH 5.1%
COLO 4.8%
KANS 4.4%
CAL 8.7%
ILL 12.4%
IND 11.3%
OHIO 15.3%
PENN 15.2%
W VA 6.4%
VA 6.0%
KY 3.5%
MO 7.2%
N CAR 6.9%
TENN 4.8%
OKLA 1.9%
ARK 3.3%
S CAR 5.1%
ARIZ 3.1%
N MEX 1.8%
MISS 3.6%
ALA 5.1%
GA 4.9%
TEXAS 2.8%
LA 6.3%
FLA 8.6%
UNDER 5%
5 TO 10%
10 TO 15%
15% AND OVER
VALUE OF MANUFACTURED PRODUCTS PER CAPITA
WASH $597
ORE $468
MONT $304
N DAK $89
MINN $510
IDAHO $186
S DAK $98
WIS $716
MICH $940
N.Y. $855
ME $595
WYO $419
NEB $460
IOWA $310
NEV $296
UTAH $349
COLO $293
KANS $516
MO $470
ILL $906
IND $649
OHIO $886
PENN $839
W VA $322
VA $278
KY $164
CAL $578
N CAR $369
TENN $238
S CAR $227
OKLA $198
ARK $114
ARIZ $361
N MEX $50
MISS $110
ALA $210
GA $240
TEXAS $214
LA $376
FLA $220
$1,338
DEL $740
UNDER $250
$250 TO $500
$500 TO $750
$750 TO $1,000
$1,000 AND OVER
(SOURCE: UNITED STATES CENSUS BUREAU)
N.I.C.B. WALL CHART SERVICE-NO.3
REVISED TO MAY, 1923

Courtesy of National Industrial Conference Board.

within an exceedingly narrow radius. Such trade as transcended local limits represented a thin stream of "luxury traffic" for a small group of the most highly privileged. The "ivory, apes, and peacocks" of the days of King Solomon and the Queen of Sheba were replaced through the centuries by corresponding items of novelty and ostentation. Machine industry busily spun a web of interrelation which involved the entire world in daily contribution to the needs of both rich and poor. The humblest breakfast and the simplest clothing to-day involve the regimented activities of human beings extended over the face of the globe. The industrial nations of western Europe contribute their surplus production in the form of investments to the less developed nations of the world, and in 1914 this sum amounted to forty-one billions of dollars. Industrial enterprises like the Standard Oil Company zone the world with subsidiary companies for the production and distribution of petroleum products. The world is divided into definite geographical provinces for the seventeen subsidiary marketing companies of the Vacuum Oil Company of New York, itself one of the thirty-seven major subsidiaries of the Standard Oil interests of the United States.

The incoming machine found a world of human beings accustomed to accomplish things on a small scale according to the uncritical guidance of customs developed through centuries of slow adaptation. It set new problems for the world which invited individual initiative in the development of new modes of social organization and new and consciously made rules of conduct. The immediate rewards of successful adjustment to the new situation were substantial increases of wealth, and under the immediate influence of the pecuniary incentives to behavior there occurred a transformation in the social nature of man. He developed the ability to co-operate consciously on a large scale in new relations. Competitors who found themselves in opposition also used this co-operativeness to increase their effectiveness in conflict, and the ability to work together on a large scale involved also the ability to do battle on a large scale. Thus the increase in the number of contacts and the new skill in collective effort did not bring at first a reduction in the conflicts in society.

The machine and the workers.—The discussion so far has developed the proposition that the advent of the machine accelerated certain fundamental social changes which were already in operation—the segregation of direction in the hands of those who owned the equipment of industry, the growth of a more complete urban-rural specialization of tasks, the subdivision of the simpler craft processes of production, the increase in production and population, and the widening of the area of economic life.

We might appraise the effects of these fundamental transformations from many points of view. We might think of the effects on government, on the church, on the family, or on any other one of our social institutions. We might attempt to trace out the particular characteristics of the dominant groups which emerge under machine society. But for the present our interest is in the effects of large-scale machine industry upon the wage-earning groups.

We might, moreover, confine ourselves to a discussion of the effects of the introduction of machinery upon the wage earners of some particular nation which has undergone this transformation in technique, for social readjustments appeared in England as soon as power-driven machinery came to be employed. We might turn to France or Germany or Italy, for as soon as the Napoleonic wars were brought to a close, the new technology slowly began to penetrate the continent of Europe. Or we might confine our attention to our own United States, and trace the forces set in motion when power-driven machinery multiplied after the outbreak of the war of 1812 because of the cutting off of English imports and the necessity for supplying a home demand. We might even turn to Japan and China, for in successive waves of innovation and subsequent modification the new technique has spread to the uttermost parts of the earth, until today the globe is encircled by steam-propelled ships, and the whirr of power-driven spindles can be heard in the mills of the Far East. There is hardly a part of the world where machine production is not being introduced.

Since our interest is not primarily historical we shall look for the consequences of machine technique which, upon its adoption, are common to every community. The inherent consequences of machine industry are only discovered by a comparative study of every country where machinery has appeared, for the story of the incoming of the machine into any particular situation is complicated by the presence of many factors peculiar to the social institutions of that country, and it is only by comparative analysis that we learn to discriminate between that which is inherent and that which is incidental.

The object of the present summary of the effects upon the wage earners of machine society is to select, in so far as our present knowledge permits, the essential and typical aspects of the phenomenon, remembering that the machine merely accelerates relations which are present in other types of industrial organization:

1. The workers lose their personal relations with the consumers of the fruit of their labors. The village cobbler in the New England village of many years ago would take the shoes which he had made to his customer and receive direct praise or censure for his task. Today the heel-rougher has no tangible contacts with the consumer of the articles of which he made an infinitesimal part, for the sales department takes care of the merchandising of the product.

2. The relations of workers and managers become impersonal and lack of understanding grows from lack of face-to-face contact. The keeping of accounts, the securing of credit to operate the business, and the hiring and "firing" of labor become some of the specialized duties of management which occupy its whole time. The managers see a different set of facts about the world than the workers do and acquire an outlook on life which is impossible to the men who do not have to think of market fluctuations, credit expansions and contractions, and the risks of changing industrial technique. Thus the common outlook on the world which came from sharing the same problems, living in the same village and in the same house as did the earlier craftsmen, tends to disintegrate under changed conditions.

3. The impersonality of work life tends to be increased by an extended use of money. Of course, the use of money is not an exclusive characteristic of machine society, but its practical universality is the outcome of the new social system. Workers come to be thought of as "worth fifty cents an hour" or "twenty dollars a week," and the more subtle values of the human personality may be ignored, because they do not lend themselves to the terminology of dollars and cents.

4. The concentration of ownership decreases the chances of the average worker to become a manager or owner. Hundreds of men in one factory! How many of them can ever hope to accumulate the hundreds of thousands of dollars necessary to own the business? It looks like a staggering task, and

thousands of our modern factory workers have given up all hope of becoming business managers. Apprentices under the guild system, went along somewhat irritated at their inconveniences, but with the knowledge that some day they would be master. Convince a man that he will always be a wage worker, tell him that his children may always be wage workers, and will he be willing to put up with long hours, low wages, and bad conditions? The union leaders answer an emphatic "No"; they appeal to the men to organize for the improvement of the lot which is permanently theirs. Hence, there has grown up in modern society a conflict of interests between many workmen and their employers, the city being the center of the movement.

5. The increased differentiation of industry gives greater varieties of choice to the individual, and permits the placing of the individual to advantage in the work of society. The following table gives the change in occupational groupings in England and Wales under a growingly machine society:

England and Wales—Summary Tables of Occupations

	1861	*1871*	*1881*	*1891*	*1901*
I. Professional Class	481,957	684,102	647,075	926,132	972,685
II. Domestic	1,367,782	1,633,514	1,803,810	1,900,328	1,994,917
III. Commercial	623,710	815,424	980,128	1,399,735	1,858,454
IV. Agricultural and Fishing	2,010,454	1,657,138	1,383,184	1,336,045	1,152,495
V. Industrial	4,828,399	5,137,725	6,373,367	7,336,344	8,350,176
Total Occupied	9,312,302	9,927,903	11,187,564	12,899,484	14,328,727
Total Population	20,066,224	22,712,266	25,974,439	29,002,325	32,527,843
Percentage of increase of Population since preceding Census	11.90	13.21	14.36	11.65	12.17

This table indicates the following changes: A relative decline in the number of agriculturalists, an abnormally rapid growth of the transport and distributive trades, an increase in the proportion of the occupied population engaged in the public services, professions, and enterprises not productive of material. More detailed studies also indicate a great development in the number of miners where deposits of coal and iron exist, a relative decline of the staples, of manufacturing industries, especially the textile and dress-making, as compared with the manufactures of final commodities for consumption. Luxury trades, or trades subsidiary to the arts and professions present an increasing proportion of occupation.

6. The worker loses his need for skilled knowledge of the whole process since the new machinery splits the productive process into many smaller phases, most of which may be mastered in a short time, but a few of which require long special training. For the workers at the simple tasks, work activity tends to lose its creativeness and attractiveness. The smaller group of technically trained workers wish to protect themselves from too much encroachment from below, and an important cleavage is thus introduced within the ranks of labor itself.

7. Splitting of processes makes it possible for the industrially handicapped to compete with the skilled, and thus women, children, old people, and immigrants may be inducted into the rigorous routine of the factory on a large scale and may drive down the returns of those possessing some skill, and who are anxious to strengthen their position.

8. The workers are forced to adapt themselves to the steady machine pace, with the resulting danger of fatigue and consequent susceptibility to disease. When this is combined with long hours of work the cost in terms of health becomes grave.

9. The workshop moves from the home or the small shop to the factory, and thus the worker loses control over his intervals of work. Because of the costs, it is necessary for machinery to start running when power is turned on, and this sets a rather rigid daily schedule. Interruptions for gossip or errands may be frequent in craft work.

10. The worker often cannot as a city dweller afford to own his own home, and he may thus be deprived of one strong motive for interesting himself in the affairs of his community, and for his respect for private property.

11. Since the growth of cities is largely accomplished by the shifting of population from the country, the problems growing out of congestion are faced by a group of people untrained to cope with them, and serious abuses thus arise.

12. The workers are encouraged to spend rather than to save when they live in the city, for they must pass blocks of display windows, read newspapers with many columns of advertisements, and come in touch with people who are changing their standards of living, and who arouse imitation and rivalry.

13. The demand of the factories for labor and the news of the enlarged industrial opportunities in the cities, leads to the abrogation of restrictions upon freedom of movement. Although the guildsmen of England, for example, were free, they were bound by customs to remain in their towns and not to give the secrets of the craft to a foreigner. Today the workers flit from city to city and from section to section of the same city with comparative facility.

14. The likelihood of unemployment is increased because of the fluctuations of the business cycle (alternative periods of scarce and abundant work). The business cycle has only been important since the coming of machine production. The workers develop a higher standard of living in the periods of prosperity which makes the period of deprivation all the more bitter. Between four and five million men were reported as out of a job during 1921 in the United States. In 1918 many of these men had been receiving $50 a week. There was a boom in the United States after the Civil War which culminated in a panic in 1873 and was followed by several years of depression; there was a panic and depression in 1893 and 1907. Although there was no panic there was a severe depression in 1914 and 1921.

15. The danger of serious accidents is increased because of machinery, and the multiplication of contacts through the revolution of transportation increases the menace from the spread of disease.

16. The hazard from periods of unemployment and injury and old age is increased for the city worker, because he usually is divorced from even a small plot of land. For the town and village worker, these supplementary sources of income from land are always important.

17. The hazards of the worker are further increased because of the loss of an honorable claim on the craft or the small village community for aid in times of distress. Institutionalized care (homes for the aged and sick) has been developed, but in the minds of many, a stigma is attached to anyone who receives help from this source.

18. The intellectual life of workers is stimulated by the new situation. The art of reading must be mastered in order to read instructions and advertisements for jobs. The city contrasts with the country, for in the latter "the environment of the farm was the neighborhood; the environment of the village was

the encircling farms and the local traditions . . few conventions assembled for discussion and common action; educational centers did not radiate the shock of a new intellectual life to every hamlet; federations and unions did not bind men, near and remote, into that fellowship that makes one composite type of many human sorts." (Cooley)

19. The personal habits of cleanliness and mutual consideration seem to be imposed by living together in crowded cities where contacts are unavoidable.

20. The new technology makes it possible to move surpluses of grain from one area to a deficiency area in time to avert famine, and thus the workers benefit from new security.

21. The new industry multiplies the variety of commodities available to the worker. It puts cotton clothes, well-made shoes, victrolas, neatly designed furniture within the reach of wider and wider circles of the public. In place of one breakfast food, he may choose from a dozen; and if he enjoys tobacco, he has an almost endless chain of cigars and cigarettes and pipes from which to select.

22. The efficiency of the machine is so great that it tends to be introduced very rapidly wherever it appears, and the profound social changes which it entails are so far-reaching, that social policies are likely to fall short of coping adequately with the situation during the period of transition, and evils of all kinds appear. This has been especially true in a country with established modes of doing things, and the history of England is an illustration of the evils which may arise from such sudden changes.

23. The machines set certain forces in motion which tend slowly to eliminate the evils that are at first so apparent. It has been discovered that the prevention of accidents and a policy of liberality toward employees may actually decrease costs in the long run. Safety devices and accident prevention are vigorously pushed. Free health clinics are established for the use of the poor. Inventors and investigators have been hired to study the problems of industry and to suggest means of solving them.

In summary, on the basis of the foregoing, these facts can be said to distinguish the machine tender: he does not own his own tools of production and he does not formally control the conditions of his work; he has greater freedom to move; he has a more specialized task to perform; he is practically compelled to live in cities. Other things may be regarded as incidental to these.

Conservative factors.—The final point in the preceding enumeration is that the new order of society tends to call into being the readjustments which eliminate the conflicts and disharmonies which it produces. This follows from the very simple yet far-reaching proposition that human beings tend to invent solutions for the conflicts in which they find themselves. We are impelled to think because of the conflict which arises when our habitual mode of adjustment to a situation fails to work smoothly. Thus, to employ a simple illustration, if the street cars are not running and we are accustomed to go to town each morning in a street car, our habits are broken in upon. A conflict has arisen. We are so constituted, however, that we tend to present the situation to ourselves in greater detail, and to project possible ways of remedying our difficulty and attaining the goal of our activity. We may wait for a railroad train, hire a taxicab, or walk. These various alternatives and certain others may present themselves to us and their relative advantages may be pictured. Finally we select one, and our conflict is solved.[6]

Very much the same kind of a process takes place when a whole society or group is plunged into a new situation. Chance adaptations, proposals for readjustment, and conscious planning may result in the removal of the disharmonies in the situation introduced on account of previous modes of reponse which fail to function adequately. The behavior of society may be quite as "irrational" over short periods of time as is the behavior of the individual. The person who cannot take a street car may swear and fail to make any provisions for readjustment. Society may be unable to readapt itself. The old habits may prove so powerful that the selection of better ways of doing things is retarded. Thus, it has happened that both in Great Britain and in the United States there have been certain conservative factors which have tended to thwart the solution of the conflicts precipitated by the new machine society.

"**Fair wage.**"—For long centuries prior to the advent of the machine the industry of England had been stable and unchanging, and Parliament had made many customary regulations actual law. There were regulations designed to insure to the customer a "fair price" and to guarantee a uniformly high

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See John Dewey, "How We Think."

quality of work. The "fair price" and the "fair wage" were intended also to give the producer a standard of living which the community thought he deserved, because in those days the all-pervasive church insisted upon the dignity and worth of labor, and the claim which labor had for just treatment.

The repeal of restrictions.—And then came the rise of the machine and the incoming of the factory. The old English poor laws provided that the destitute should be supported from the taxes of the territory in which they resided, and consequently the various towns were hostile to the reception of strangers. Since the factories needed workers, the factory owners assailed these laws as restrictions on the life of commerce and finally secured their repeal.

When workers began to crowd into the industrial centers, they bid against one another for the available jobs. Sometimes when the wages were pressed down very low the workers asked for an impartial judge to fix a fair wage, in accordance with the Elizabethan statutes. This the factory owners violently opposed; this too, was repealed.

The old laws provided that only workers might be employed who had served a long apprenticeship; but the new factory had subdivided the older processes into many simple ones which could be mastered in a short time by even the most unskilled. Obviously, said the managers, the apprenticeship laws were passed in an age when "the sound principles of modern commerce were not known." In time the statute books of England were practically cleared of such obstructions to industry.

"Laissez faire."—In the long fight for the repeal of industrial restrictions the business community adopted a broad philosophy of government, namely, that the government is best which governs least. "Hands off!" they insisted. "The Government hasn't and never has had any business meddling in private affairs. Let us alone and our prosperity will benefit the whole community. Free competition is the life of society." The phrases for this theory were largely supplied by a shrewd social philosopher, Adam Smith, who wrote as early as 1776 in favor of unregulated competition. Writers, orators, and factory owners condemned the inefficiency, corruption, and incompetence of the Government. Use the police to keep order, use the army and navy to keep out invaders, use the courts to enforce the sacredness of contracts. This is all Government should do or can do successfully.

All of these ideas were based upon the prevailing belief in the virtues of competition. Let a man alone to follow his own interest, and he will produce the commodity for which he can get the most money. What people will pay is a rough measure of what the community actually needs. Let a man alone to run his business and he will be efficient, for only through efficiency will he secure greater profits. Moreover, his business rivals will strive to improve their processes and undersell him; and thus society will get the benefit through the goods which it will be able to purchase more cheaply.

Particularly, ran the theory, the workers will benefit, for the industrial system liberates the worker from the status of serf or apprentice, and makes of him a bargainer who can go where conditions are best. If the worker does not like the sanitary conditions at one place, he goes to the employer who offers better sanitary conditions. If an employer in the cotton industry, for example, decides to work his employees longer hours, such an attempt will cause workers to leave for other textile mills which offer fewer hours of work. Self-interest working through competition is the guide of economic life, the "invisible hand" that promotes the welfare of everybody.

Economists were ready to tell them that the income of industry was divided each year between capital, labor, and land, and the sum going to the workers could not be increased. If the sum going as wages was increased, there would be less capital and the workers in the long run would lose because of unemployment. If sentimental people helped some workers, these workers would have more children, and with increased mouths to feed their lot would be no better than before. A certain amount of suffering and disease was necessary to keep down excessive numbers and to eliminate the unsuccessful in society. If some workers combined to "boost" their wages, they merely deprived other workers of the part of the wage fund which would come to them. Besides, the workers by conspiring together were violating the law of God and man by suppressing competition, not to mention the breaches of the social peace which they committed when they engaged in a strike. Humility and acceptance of the burdens of this life were recommended to the sufferers.

Thus England repealed its law interfering with business and developed a philosophy which prohibited the intervention of the Government on behalf of the worker.

America and laissez faire.—This philosophy was carried to America and many of its theories were incorporated into the thought of the people. But America had already adopted a philosophy of laissez faire before the influence of the English idea manifested itself, and, indeed, the reason for the popularity of English theories in America was that they represented a more completely worked out formulation of the prevailing ideas. For Americans began as self-sufficient farmers. They raised their own food, wool, and fuel; out on the frontier farm the individual felt independent of the rest of the world, and he resented the idea of paying taxes to support governmental institutions which were a long way from his farm and which contributed nothing very tangible to his prosperity. It was largely this feeling which supported the revolution against England, which refused to strengthen for so long the Articles on Confederation, which aroused such bitter opposition to the new Constitution in 1789, and which caused the new Government to depend upon indirect tariff duties for revenue rather than upon internal taxes.

When the machine came to America, it thus was welcomed by a people free from ancient customs and disposed to let it alone to work out its own destiny. This policy, moreover, seemed to gain in America particular justification, because the existence of free land in the West made it possible for any one who felt that he suffered as a wage-earner to become an independent farmer, and thus the conditions of the wage-earners were maintained at very high levels.

Maladjustment and protest.—In England there soon appeared a group of people who complained that, after all, the new industrial competition did not bring prosperity to everybody. They discovered children and women toiling in the coal mines; they found children who had never gone to school laboring in semi-darkness fourteen to sixteen hours per day in cotton factories; they visited tenements in the cities and found whole families living in two rooms, often with the father willing to work but unable to secure a job; they saw lacerated hands and stumps of arms, and they listened to the sorry story of accidents due to unprotected machinery. Surely, urged these people, all is not well with this "beneficent competition" which grinds down the lives of so many human beings as sacrifices at the shrine of an economic theory. To them the Government was supposed to represent the interests of all the people and it was under obligations to protect the weak as well as to encourage the strong.

The attitude of laissez faire, however, enforced by the vested interests of the few who dominated the new society, stood as the stumbling block in the way of legislation for the health and safety of the workers. The very attitude of mind which had burst the bonds of ancient custom now became a problem, and it was not until the beginning of the factory acts in the twenties and thirties of the last century in England that "laissez faire" ceased to be a description of the facts of society, although it projected itself as a theory whose reverberations are still to be heard in the philosophy of the man in the street.

It is of interest to observe that in England the group which helped to break down laissez faire was the same group which had been superseded in politics by the rising industrial middle class. Industrial power in England had long rested in the feudal landholders, and it was not until the strength of the new middle classes became almost overwhelming that the landholders were willing to amend parliamentary representation and share their political power with the rising class. The landholders were in a position to secure revenge as well as to aid humanity when they imposed the factory acts and similar regulations upon the industrial magnates.

Long-run effects of machine industry.—The apparently desperate situation of many workers in England during the first years of the machine, has led to the theory that certain evils of society are inherent in machine industry. Did not the machine increase contacts among peoples and thus increase the menace of disease? Did it not break down the social provisions for the care of an unfortunate human being who is accidentally injured? In these respects and in many others it must be admitted that the new method of production was attended by an intensification of human unhappiness.

But this is not the whole story. In the machine was also the possibility of relieving human strain in the processes of production. Machines might, under proper social organization, become the servants and not the masters of men. A certain amount of production could be secured by machines in shorter hours and with less strain than under the more primitive forms of society. Thus in the machine were possibilities for increasing the variety of human life by increasing leisure from the processes of production.

There was nothing, therefore, intrinsically nefarious about the machine as an aid to production. The ills, however, of the machine age were none the less genuine. But the difficulty is traceable to the lag of social adjustment to new situations.

And in this process of adjustment to the new conflicts precipitated by the revolution in the technological basis of society there may be very many by-products of positive benefit. Society is learning, slowly and with repeated failures, how to co-operate on a scale never before deemed possible. Regardless of the particular form which it is destined to take, social thinkers are agreed that the political as well as the economic life of the world must be no less than world-wide. Such co-operation might conceivably result in a net gain when compared with the conflicts and uncertainties in primitive society.

Society is also fashioning a new tool of adjustment on a broader scale than ever before. It is learning to use rational processes (supplied by its scientific servants) for the control of social no less than physical processes. Thus it seems to be working out the processes of adjustment which will in the future permit a readaptation to the technical changes of society and which will involve less disorganization, misery, and unhappiness than are at present involved in such a situation.

For Discussion

1. One student of economic evolution states that there are at least five conditions that control such a process: (1) growth of population; (2) increasing quantity and variety of human wants; (3) external forces of geographic environment; (4) hereditary traits of the human race; (5) discovery and invention. Point out in what ways any of these factors account for the industrial revolution.

2. "The modern social problem has been created neither by the labor agitator nor by capitalistic greed. It arose inevitably out of the development of machine industry." Does this statement seem sufficient? Have the activities of labor agitators nothing to do with the modern social problem? Would there be no problem if the machine had never been discovered?

3. The text suggests that as soon as people play different parts in the productive process conflict tends to arise. Why?

4. What content do you give to Ogburn's idea of "a cultural

lag" which Keller has referred to in an earlier writing as "the strain for consistency in the mores"?

5. How recent is the machine?

6. Describe how the machine has accelerated change in the United States since 1800.

✓7. What new classes did the machine usher in?

✓8. Why did the Industrial Revolution appear in England rather than in Italy where the new learning first made its appearance?

9. What effect upon ownership of the tools of production arises from the fact that machines in contrast to the tools of the handicraft days are costly?

10. Explain how the sub-division of work attended the introduction of the machine. What are the gains of such a method of production as subdivision of tasks brings in? What are the losses?

✓11. What changes and shifts in population attended the advent of the machine?

12. The Industrial Revolution has been attended by the greatest increase in population the world has ever known. How do you explain this fact?

✓13. What is the significance of the fact that modern workers have lost personal relationships with the consumers of their articles? With their employers? Are not impersonal relationships desirable at times?

14. How has money tended to emphasize the impersonality of modern life?

✓15. "There never was a greater opportunity for a young man of ambition, sobriety, persistence, and integrity to get to the top. Industrial success is still individual." Comment.

16. Explain how the machine and the splitting of processes into many distinct operations makes it possible to use women, children, and unskilled workers in great numbers.

✓17. What effect does the urbanization of the population have upon (1) the desire to own homes (2) the desire to spend?

18. What relationship exists between factory production and unemployment; between factory production and disease; between factory production and industrial old age; and between factory production and accidents?

19. Some people think that machine industry, by the seemingly heartless way it operates, has set forces in motion that will inevitably reduce these costs. How might such people reason thus?

✓ 20. "It is only when a conflict arises between what is and what we feel ought to be that we begin to think." True? If so, of what significance is it to the questions raised in this chapter?

21. "If sanitary conditions are bad in a particular industry the worker will go to another industry." Is this true in the coal industry or in the lumber industry?

✓ 22. Explain the doctrine of laissez faire.

23. Why doesn't the doctrine of laissez faire work as well in modern industry as it might have during the craft period?

24. What was the mediæval doctrine of a fair wage? Is there any accepted concept of what is a fair wage today?

✓ 25. Why is America especially individualistic in its philosophy? Is the logic of the machine opposed to individualism?

✓ 26. Make a complete summary of the effects produced by the advent of the machine upon the life of the working population.

For Investigation

Knowles, Mrs. L. C. A.: "The Industrial and Commercial Revolution in Great Britain."

Bland, Brown, and Tawney: "English Economic History." Documents will be found here illustrating the influence of the machine on economic life and organization.

Hobson, John A.: "The Evolution of Modern Capitalism." The standard summary of the rise and development of the factory system.

Malthus, R. T.: "An Essay on Population" (Second Edition or later).

A famous contribution to the problem of population which

grew out of the controversy over the giving of poor relief to the handicapped.

Smith, Adam: "Wealth of Nations."

This book, published in 1776, is regarded as the beginning of modern political economy. Its advocacy of laissez faire gave it a political importance attained by few books.

CHAPTER IX

THE LABOR MARKET

Since under the conditions of modern industry labor can seldom be directly applied at the will of the worker to the satisfaction of his own particular wants, it follows that the worker must sell his product to those who own or control the instruments of production. What labor brings to the labor market, however, possesses several characteristics which distinguish it from commodities in general.

In the first place the worker's product is perishable. While some commodities may be perishable in a high degree, labor is perishable in what might be termed the absolute degree. An hour's labor unsold is an hour's labor irrevocably lost. Furthermore, while the sellers of ordinary commodities are not concerned with the use to which their commodities are put after it leaves their hands, the worker is vitally concerned with the manner in which his product is consumed, since, as a sentient being, he is present at every moment of its consumption.

Further distinctions between labor and ordinary commodities are seen in the conditions of both its quality and quantity.

Broadly speaking, the individual worker has little control over the quality of his labor. Within the limits of supervision he may, of course, work with more or less care or application; but his general physical fitness and his special aptitude for the work in hand depend primarily upon his parents and upon the educational facilities of the environment into which he was born. Moreover, individually the worker has as little to do with the quantity as with the quality of what he has to sell. The demand for his labor is dependent upon a multitude of factors—one of which is the quantity. How many other laborers may be endeavoring to sell their labor power in the market is a matter quite outside of his individual determination.

Immobility of labor.—Another important distinguishing characteristic of labor is its relative immobility. This immobility is of three kinds: economic, geographical, and social.

The intricate organization of modern industrial society tends to put each worker into a specialized groove from which it is difficult for him to be extricated. It is true, of course, that unskilled workers may be set to different tasks where the different tasks are accessible, and it is also true that some individuals possess a high degree of adaptability which makes it possible for them to change occupations upon short notice. Broadly speaking, however, it may be said that modern industry is so organized as to resist the transfer from one job to another and even where the individual is unusually adaptable, he is generally restricted by one of the other varieties of labor immobility.

Another form of labor immobility is geographical. The demand for labor in one locality can offset the surplus of labor in another only to a slight degree at best. If the distance is so great that the cost of moving more than offsets the advantage to be gained, it is obvious that the worker must remain where he is. And when the laborer has a family, some members of which may be gainfully employed, and when, moreover, the prospects for labor in another locality are temporary or uncertain, and appear usually at a time when the worker is least able to bear the expense of moving, it is obvious that he cannot readily go to meet the market demand for his product.

A restriction of no less import upon the worker's selling power is found in social immobility. This term signifies not merely that the worker himself tends to remain in a certain occupational level, but that his son also tends to remain at that level. There are, of course, many individual exceptions to this tendency, and in America the class barriers are certainly less marked than in Europe. To conclude, however, as many apologists for the present order of society are prone to do, that the son of a worker has as good a chance as any one else to become president, or to attain any other position of prominence in the republic, is to judge the rule by the exception. The son of the worker tends to be a worker himself and to remain at the same general social level as that of his parent.

The lack of family connections and influential friends, as well as the difficulty of acquiring manners which the sons of the well-to-do inherit unconsciously and without effort, all conspire to keep up the barriers of caste. The chief factor in social immobility, however, is the relative inaccessibility of the facilities of education. On the whole the worker cannot afford to give his son the expensive education necessary to fit him for positions distinctly above his general social level.

Disorganization of the labor market.—These, then, are the characteristics of the commodity that the worker sells in the labor market. But what of the market itself; the market in which this commodity is bought and sold?

Disorganization most markedly characterizes the labor market. Perhaps this state of disorganization best can be understood through our thinking in terms of an analogy of one student of the market: Imagine that every manufacturer who needed drill presses, lathes, or planers should advertise for them in the papers, and that many machines were sent him, out of which he could pick the few needed. This type of chaotic practice never could be tolerated in the marketing of material commodities; yet it is exactly what obtains in the labor market. Imperfect as is the market for material goods, it is orderly, systematic, business-like, and efficient in comparison with the labor market.

The "why" of this disorganized condition in the labor market hardly can be found in any single explanation. In the very evolution of a dynamic, changing industrial society such as ours, a certain labor reserve is inevitable. Probably it is more than half true that this reserve is a requisite to industrial progress and that its absence would be an evidence of economic stagnation. Certainly this labor reserve is at the root of this condition of chaos that is found in the modern labor market.

When the worker attempts to sell his services in the labor market, he often finds that he is offered only short-time jobs. Again the tenure is relatively uncertain. Fluctuations and irregularities in industry, the introduction of labor-saving devices, changes in fad and fashion that bring changes on the demand side, lack of knowledge as to where work is to be had or of the means to go where work is offered, lack of industrial training, extreme specialization that unfits him for doing other kinds of work—all of these factors combine to bring about idle labor; they are explanatory of the disorganization of the labor market. They result in placing the worker in a position of economic insecurity.

Together with these factors making for continual reserves of workers in our disorganized labor market must be mentioned the excessive "turn-over" of labor in many of our industries. It has been found that many large industries employ during the year as many as three times the number of men on the payroll during the busiest period. A constant process of hiring and "firing" goes on; a process made possible and accentuated by all of the factors making for disorganization enumerated in the preceding paragraph. The workers themselves are partly to blame for this condition; but not entirely. Such personal factors as dishonesty, mental inertness, shiftlessness, and general "deficiencies in character" are factors in keeping up the rapid turn-over. Can the employer alleviate conditions? Among other things, he can attempt to spread his work throughout the year, he can be more careful in his selection of men, he can follow up men after they have been inducted into the plant and attempt to place them where their capacities and temperaments demand that they should be placed.

Likewise, society as a whole can do something to put the labor market on a more systematic and business-like basis. Most students of the problem agree that a net-work of employment bureaus would do much toward eliminating the waste and unnecessary idleness resulting from irregular and ignorant efforts of individuals to find work. Control of entrance to the labor market so that the inexperienced and economically weak would be excluded, the saving of public work for periods of depression, a government-employer co-operation in decasualizing labor, and a system of unemployment insurance to prevent the deterioration of those who unavoidably are unemployed are some of the things proposed for a reorganization of the labor market.

Time and piece wages.—What the worker receives for his services is generally called his wages. There are two principal methods of the payment of wages—time wages and piece wages. In the former the worker is paid so much for a unit of time spent in service and a foreman is employed to see that he does not loaf on the job. In the latter method the laborer is paid so much for a measurable unit of work performed. This method possesses the advantage to the employer that since the worker's income depends upon his speed and application, there is little cost of supervision. The worker drives himself. For the most part piecework prevails where standardization is feasible and where the work is easily divisible into measurable units. Time payment prevails where the work is too various to permit of standardization or where the cost of inspection of the quality of the work done might exceed the cost of superintendence.

The real wage of the worker.—In common parlance a worker's wage is explained by saying that he receives so many dollars a day or so many cents an hour in exchange for his labor, or that on the basis of piece work he can make approximately so many dollars a day or week. Such a rough estimate, however, is far from revealing the real wage of the worker. In the first place, allowance should be made for the important factor of unemployment. A worker who receives a low wage as measured in cents per hour may, through regularity of employment, receive a larger yearly wage than a worker who receives a high rate of payment by the hour but loses many working days through his own disability or through the shutting down of the plant, or both. Again, many jobs which carry a high rate of pay by the hour are of such a nature as to render the worker old before his time. Sometimes, from about the age of forty his impaired health and strength force him to surrender the highly paid job and work at some less exhausting employment at a much lower rate of pay, or even to give up work altogether.

Viewed from the standpoint of the worker's whole life, his yearly wage may be calculated by dividing his total income by the total number of years that he must live upon it if he is not to be supported by others. But even such a calculation as this does not permit us to arrive at an accurate figure for a worker's wage. His real income cannot be measured in dollars and cents but rather in the enjoyments and securities that his money wage can purchase. Since the value of money as measured in commodities varies greatly from place to place and from time to time, it is evident that a worker in one community may receive a much higher life-wage as measured in money than a worker in some other community, and yet receive a lower real wage as measured by the comforts and securities which his money income will purchase.

Another modification of the customary manner of reckoning wages at so much an hour is afforded by what is termed the family wage. Since the income of a married worker is expended for the support of the whole family, it is obvious that the proportion of his earnings which must go for immediate family expenses is affected by the income of other members of the household.

Though not ordinarily included in the term wages, the degree of satisfaction furnished by the conditions of the job itself is one of the large factors in the problem of the comparative incomes, in terms of satisfactions and securities to be derived from different jobs. Wages in the largest, human sense are what the worker gets in return for his labor. From this standpoint all the factors of pain and pleasure, variety and monotony experienced in the eight or ten hours a day in which the labor services are being delivered should be taken into consideration in estimating the worker's income in a given employment.[1]

Unionism and wages.—For the most part the efforts of the trade unionists have been directed towards the increasing of money wages and the shortening of the working day. Working conditions have been considered only where the work involved very great obstacles to the worker's comfort and safety. The general assumption, not altogether unwarranted by the conditions of machine industry, seems to have been that the only rewards of labor are the satisfactions purchasable by money wages in the hours of leisure. The hours of work were regarded as units of life completely surrendered in return for these satisfactions, hours to be tolerated at best rather than enjoyed.

Up to the last quarter of the nineteenth century the efforts of the worker to improve his status were regarded by the political economist as energy ignorantly expended in an impossible task. Rigid theories of logical pessimism were invoked to convince the worker that no class of labor could raise its wages except at the expense of the whole working population and that even these gains would shortly be wiped out by the pitiless reaction of a self-adjusting mechanism. The chief forms of the theories put forth by what Carlyle and Ruskin termed the "dismal science" were the subsistence theory and the theory of the wages fund.

Subsistence theory of wages.—In explanation of the subsistence theory Ricardo said, "The natural price of labor is that price which is necessary to enable the workers, one with another, to subsist and to perpetuate their race, without either increase or diminution." This theory that wages, in the long run, tend to equal a bare subsistence is a corollary of the Malthusian law of population. If wages should fall below a level of subsistence, the results, in the long run, would be fewer laborers, and therefore a demand would be created which in turn would cause wages to rise. If wages should go beyond this level, there would be an increase in the laboring class, and therefore, because of the greater supply of labor, wages would fall. Because of the rigidity of this law it has sometimes been called the "iron law" or the "brazen law" of wages.

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[1] Moreover, some communities offer greater conveniences than others in schools, churches, recreational opportunities, good paving, and so forth, which have been classed by some writers as "free" income in as far as they are not reflected as an expense item in the family budget.

Wages fund theory.—The contention of the wages fund theory was that the wages paid in each industry depended upon (a) the supply of labor in that industry, and (b) the wages fund which was a portion of capital and at a given time fixed in amount. If it was true that the fund out of which wages was paid was a definite amount which could not be increased at any given moment, the level of wages in an industry depended then upon the number of workers. Moreover, it followed that at a particular time if one group of workers fought for and secured an increase in wages, that increase was paid for in lower wages accepted by other workers. If this logic be granted it also follows that the only way to really improve wage conditions is to reduce the birth rate, resort to emigration, await the possibility that disease or poverty may kill off depressing surpluses of workers, or, in particular industries, to restrict the number who enter it.

Moreover, it will be seen that according to either of these theories any increase in wages of a particular working group would result sooner or later in the flow of capital to more profitable investments with the necessary curtailment or complete abandonment of the enterprise in which the workers had gained their temporary increase. And even if all the workers should unite to secure an advancement in wages no ultimate gain could be secured. For, it was argued, any marked decrease in the returns on invested capital caused by the increase in wages would turn large sums from the channels of investment to the channels of consumption and thus decrease the fund from which wages were to be paid. And finally, even if a general increase in wages could be secured, the consequent increase in population would soon nullify the gain in wages. Individually the worker might improve his status, but collectively, according to these theories, the working class was doomed to live at the level of bare subsistence.

Criticism of older wage theories.—Fortunately the findings of more recent economists have revealed many flaws in the rigid armor of this logic. Capital, in terms of land and plant equipment is much less elastic than these theories assume.

An increase in wages may be more than balanced by the increased efficiency of the worker or by improvements in the machinery of the plant. Increased wages mean increased expenditure, and, consequently, the development of industries to supply the increase in goods purchased. The wages fund upon analysis turns out to be a fictitious element. As for the increase in population which it was assumed would follow any marked increase in wages, modern statistics reveal that on the contrary, an improved standard of living tends, in the long run, to be accompanied by a progressive decrease in the birth rate.

In partial justification of the older wage theories it must be admitted that forced increases in wages sometimes do result in the failure of a particular industry or the laying off of part of the working force, and that eras of advancing wages are accompanied by a similar advance in prices, with the consequent tendency of the worker's gains to be balanced by his losses. But the steady growth in wealth in the community as a whole under the conditions of modern industry makes it at least possible for a substantial increase in real wages to occur in a particular group without detracting from the real wages of labor as a whole, and also makes it possible for the whole working population to secure an advance in real wages.

Wages and productivity.—Indeed the theory of the economy of low wages which generally accompanied the older wage theories has among some modern thinkers given place to the opposite theory, the economy of high wages. Thus as J. A. Hobson points out ("Evolution of Modern Capitalism"), a comparison between England and the United States shows that in weaving, where wages are much higher in America, the labor is so much more efficient as to make the cost of production considerably lower than in England. Furthermore the low-paid, long-houred laborers of the Italian factories have been easily undersold by the more efficient labor of England and America, where higher wages have not always meant increased labor costs per unit of production.

These comparisons do not justify the conclusion that high wages are everywhere more economical than low wages, nor that there are no limits to the parallelism between increased wages and increased efficiency in any industry. The general conclusion is that while an increase in wages in the long run usually means an increase in efficiency, the ratio of increased productivity to increased wages varies in different industries.

Usually, the greater the development of machinery, the greater will be the increase in efficiency of production as wages are increased.

The frequency of the observed coincidence between high wages and increased efficiency has sometimes led to the erroneous conclusion that efficiency is always the cause of the higher wage, and that consequently all any group of workers needs to do if it wants better remuneration is to work a little harder or a little longer. As a matter of fact, of course, there is usually a condition of mutual determination between high wages and increased efficiency. A rise in wages or an improved standard of comfort on the part of the worker may increase his efficiency, and an improvement in efficiency results often in the possibility of still higher wages.

But, though it is thus economically possible for wages to be increased in modern industry, there are many factors in the industrial situation today which, if left to themselves, tend to force down the wage of the worker to the margin of bare subsistence. These factors find their root, to a great extent, in the fact that production in the two generations following the Civil War has tended to outrun the market. Thus, even when an employer is philanthropically inclined, he himself is often subjected to pressure arising out of market conditions, which induces him to drive the hardest possible bargain with his working force. This pressure the manufacturer feels as it reaches him through the medium of the wholesaler. Since his capital is invested in plant and equipment, he cannot afford to keep his factory idle.

Consequently, he is under constant pressure to sell his product to the wholesaler, and if compelled will sell at terms even below cost of production rather than lose orders and keep his plant idle. The wholesaler on the other hand is better able to wait as far as buying from this particular manufacturer is concerned. There are other manufacturers usually who are eager to sell and if not he often can wait since his money will be, at worst, drawing interest in the bank. Accordingly, if the manufacturer has been forced into a hard bargain with the wholesaler, he is under constant temptation to make it up by putting the screws on his employees.

The pressure exerted upon the manufacturer by the wholesaler did not originate with him but came to him through the medium of the retailer, who in turn coerced the wholesaler and in his turn was subject to the coercion present in the whims and uncertainities of the individual buyer. A detailed analysis of the way in which the buyer exerts pressure on the retailer and the retailer in turn upon the wholesaler or in other cases directly upon the manufacturing distributor or jobbing retailer and so forth, need not concern us here. The important fact to note is that the employer is often strongly coerced by the very nature of things into driving a hard bargain with his employees. For even if he felt that in the long run an increase in wages might result in a lowered cost per unit of output, he often is moved more by the immediate expenditure involved than by the uncertain prospect of future gains through increased wages.

It is with such an employer, subjected to the pressure arising out of the fact that commonly there are many seeking to sell and fewer fighting for the privilege to buy, that the worker is typically obliged to bargain for his wages and hours of service.

Individual bargaining.—Individually the worker is naturally at a great disadvantage in making his bargain. In the first place the employer is much more experienced in bargain-making. The handling of facts and figures is a large part of the employer's regular occupation, while the worker has neither the education nor the experience to enable him to drive a good bargain unassisted. Furthermore, there is the social barrier existing between the two. The employer has the poise and the prestige which go with wealth and social standing. He usually deals with the worker not directly but through highly-paid intermediaries, thus increasing the difficulty of the worker's cause. Again the employer has superior waiting power. True, he does not wish his plant to be idle, but the hiring or not hiring of a particular worker has but little effect upon his total output, while to the worker the difference may be measured in terms of starvation for himself and family.

Another advantage of the employer is seen in his knowledge of the whole field of wages and working conditions. The individual worker can have little knowledge upon which to base his conclusions as to what is a just or even a possible wage for the employer to pay.

All these advantages of the employer are enhanced by two elements in American industry, immigration and the competition afforded by women and children.

Effects of immigration on wages.—The subject of immigration is too large and complex to receive any adequate treatment in this chapter. The general contention of the unions that immigration has lowered wages and the standard of living, seems to be contradicted by the fact that in many cases industries with a high proportion of immigrant labor pay higher wages than corresponding industries employing native American workers. Thus the competition afforded by the cheap American labor of the Southern cotton mills is one of the principal obstacles to increased wages on the part of the immigrant laborers in New England factories. The probable meaning of such comparisons, however, is not that immigration increases wages but that immigrants tend to be drawn to the more highly industrialized centers where rising wages are one of the aspects of large industry. Whether wages might not have been still higher in industrial centers if the immigrants had not entered these fields, is a question for theoretical speculation which will not admit of statistical proof. But at any rate it is obvious that when the employer has a large reserve of immigrant labor to call upon, the bargaining powers of the individual worker are still further reduced.

Effects of employment of women and children on wages.—Many complexities are involved also in the employment of women and children. Child labor, almost universally recognized as an evil, has been chiefly dealt with by social and philanthropic legislation. In the case of women, the objection has been that her lower living expenses, resulting chiefly from the fact that she is not ordinarily supporting a family, have made it possible for her to underbid men in the labor market. As in the case of immigrant labor, whatever may be the effect in the long run, it is obvious that the presence of women in industry has complicated the difficulty of the individual worker in his attempt to make a good bargain with the employer.

Collective bargaining.—As a remedy for his disadvantages in dealing individually with the employer, the worker has resorted in ever larger measure to collective bargaining. That the system has frequently been abused by some highly paid professional representatives of labor should not blind one to the fact that the machinery of collective bargaining has developed to meet the natural advantages which the employer possessed in dealing with the individual employee.

To meet the superior experience of the employer and to offset his greater knowledge in matters of bargaining, the union has hired legal advisers and statistical experts. To meet his advantage in education and prestige it has dealt with the employer through the medium of educated men who could meet the employer on something approximating a plane of social equality. To offset the employer's superior waiting power, it has established strike funds and supported systems of insurance to bring the support of the resources of the group to the assistance of the individual worker. In skilled trades it has endeavored to control the conditions of apprenticeship so that the employer might not depress wages by introducing poorly paid substitutes. And in general, through its national organization and through extensive strikes and the threat of extensive strikes, it has sought to bring the resources of the group to the protection of the individual, and of the larger group to the protection of the smaller.

In the struggle between capital and labor in America, the advantage has sometimes inclined to one side, sometimes to the other. Doubtless workers have often made unreasonable demands, and may sometimes have retarded the natural development of some industries to their own and the country's detriment. On the whole, however, it may be said that collective bargaining has tended to improve the worker's status and has forced the employing class to meet the demands of the workers through the installation of more efficient machinery, through improved methods of organization and management, and through other means.[2]

Social insurance devices.—Along with the various schemes of social intervention intended to offset the disadvantage at which the worker finds himself in the labor market should be mentioned social insurance, particularly unemployment insurance. This latter device has been tried, at one time or another, in Germany and in practically all the nations of western Europe. The most conspicuous case, however, is that of Great Britain, where the plan has been in operation since 1911 and where it now includes in its scope 85 per cent of the wage-earners.

Briefly stated, the philosophy of unemployment insurance is as follows: In the very evolution of a dynamic industrial society, a certain labor reserve is inevitable. Its presence is a requisite to industrial progress; its absence would be an evidence of economic stagnation. The worker is not responsible, to any considerable extent, for the conditions that beget unemployment, but it is he who suffers most from the effects. The individual employer, alone and in combination with other employers, by regularizing work, by scientifically attempting to fit the right men to the job, by eliminating haphazard methods of hiring and "firing," by marketing methods, can do much in removing the causes of unemployment. The State can aid somewhat by the direction it gives through law and the conduct of State business. What the worker can do is virtually negligible. Granted all work together, still some unemployment would exist. Unemployment insurance is, therefore, a legitimate cost of production. It involves simply the extension of the principle of insurance—the principle of spreading the risk over a large number of people for a considerable period of time, so that it will fall lightly on each one—to the field of the labor market.

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[2] Space does not permit of treating in detail the methods whereby workers can increase their wages. The reader is referred to Hamilton and May, "The Control of Wages," for a scientific statement of the problem.

For Discussion

1. Describe wherein labor differs from commodities in general.

2. Why is the labor market comparatively unorganized, whereas the commodity market in general is highly organized?

3. What are the consequences of a disordered labor market from the standpoint of (a) the worker, (b) the employer, and (c) the public?

4. Outline a method whereby the labor market could become organized. Is anything being done today (a) by employers, (b) by society to eliminate its disorganization or meet the costs provoked by disorganization?

5. What are wages?

6. It has been said that the wage system is comparatively recent in point of time. What existed before the wage system?

7. Why is a distinction made between "nominal" and "real" wages?

8. Some economists have spoken of the psychic income from work. What does the term suggest? Should it be considered as part of a man's income?

9. Name some kinds of work in which the psychic income is relatively large. Other things being equal, would you expect the wages for such work to be lower than for other kinds of work in which the lack of utility of effort is great? Is a public scavenger paid more than other unskilled workers? Should he be?

10. Of what value, if any, is wage theory?

11. Wage theory has been explained as follows:

(a) An attempt to find out how wages are determined.
(b) An attempt to justify the present distribution of wages.
(c) An attempt to find out how workers can increase their wages.

Is it likely that the same result would be secured if a student started out with any one of these three points of view? Is it possible for one to disassociate himself from a point of view so that complete objectivity exists?

12. Explain the cost of subsistence theory of wages. Is the idea wholly a dead issue to-day?

13. What was the wages-fund doctrine of wages? Discuss its validity. Do people to-day think in terms of the wages-fund doctrine? Can you cite any illustrations?

14. How do you account for the theory of wages promulgated by the economists of the early nineteenth century?

15. Why did Carlyle call political economy "the dismal science"? As far as wages are concerned, does modern economic theory hold out hope to workers of increased monetary return and higher standards of living?

16. "Wages are based upon production. If workers produce more they will get more." Will they? Explain.

17. According to the bargaining theory of wages, wages are determined by (a) the value each party places upon the subject of the bargain, and (b) the comparative strength and knowledge of the bargaining parties. Contrast this theory with the cost of subsistence theory. What does this suggest as to the value of unionism to workers?

18. Why can a union delegate speaking for the union make a

better wage contract than the individual worker speaking for himself?

19. "Wages are based upon productivity." Assume the statement to be true; explain how the comparative productivity of a stenographer, a night watchman, and the president of a railroad could be determined. Do their wages correspond to their productivity?

20. "Wages are limited only by what you can get." Granted. What determines what you can get? Would you include the following factors: (a) education (b) acquaintance (c) "pull" (d) ambition (e) "nerve" (f) docility (g) relationship to those in authority?

21. "Wage theory explaining long-run tendencies may explain wages in part, but right here and now it is the relative bargaining power of labor and capital that decides the wage." Discuss.

For Investigation

Douglas, P. H.; Hitchcock, C. H.; Atkins, W. E.: "The Worker in Modern Economic Society," Chapters VII and VIII. Readings on market forces and a summary of wage theory.

Gide, Charles: "Political Economy," Book III, Part II, Chapter II
A scholarly treatment of wages.

Hamilton, Walton and May, Stacy: "The Control of Wages"
A challenging treatment aimed at demonstrating how wages can be increased by conscious control of the factors upon which they rest.

Watkins, G. S.: "Introduction to the Study of Labor Problems," Chapter VI
A compilation of various wage theories briefly stated.

CHAPTER X

SECURITY AND RISK

In the present era of machine production the worker occupies a position of both security and risk. The security which he possesses is often lost sight of in the general march of progress, or is ignored wholly; the risk which is equally his lot is given but small space in contrast to the risks of his employer. The purpose of this chapter will be to present both these facts as general considerations to be followed in succeeding chapters with detailed treatment of the more outstanding risks.

Security of life.—One of the outstanding securities possessed by the worker to-day is a relative immunity from famine and disease. The wonderfully improved means of transportation have brought the products of the areas having a surplus to the very doors of the areas suffering from scarcity, and the no less marvelous improvements in medical knowledge have rendered the recurrence of the plagues of the Middle Ages unthinkable. "It was not for nothing," says L. C. A. Knowles in "The Industrial and Commercial Revolutions in Great Britain during the Nineteenth Century," "that the English Prayer Book has two special prayers against famines, two against scarcity arising from excessive rain, and a petition in the Litany to be delivered from plague, pestilence, and famine." The medical practitioner of 1775 was confined largely to the exercise of two remedies, bleeding and the administration of a physic. Within the short span of a century and a half the medical profession has passed through a series of developments until to-day training is no longer given by the master teaching his neophyte as he goes the rounds of his patients, nor by institutions which were motivated chiefly by profit-making, but by endowed or state-supported medical schools whose attitude and approach is purely scientific.

The utilization of steam in transport has made it possible to throw a network of railroads over the continents and to convert the ocean from an impassable barrier to a beckoning highway. It follows that if the wheat crop fails in the United

States, the harvests of Argentina or India can supply the deficiency. There is a whole world today to draw upon and this fact means that the worker has a security against famine never previously enjoyed.

Security through participation in government.—These securities against famine and disease are indisputable. There are other securities of the modern workman, however, which are not so patent but which nevertheless are worthy of consideration. First among these might be mentioned the security which comes to the worker with his increasing participation in government. Formerly government was in theory and fact the concern of the few. To-day, although the actual functions of government are still exercised by a small group, the possession of the ballot by the worker is likely to make these rulers conscious of the fact that the power they hold is delegated. True, the worker may be characterized as both blind and somnambulant; yet he is a giant, the possibility of whose awakening causes his interest to be treated with solicitude.

Security through education.—Another security is seen in the universalizing of education. The worker's share in education has, to be sure, been limited by his occupational restrictions and confined largely to the more primary matters. But the ability to read and write has tended to limit his exploitation, and has afforded him some measure of self-expression and the means of co-operation with his fellows. Perhaps it is not making too strong a statement to say that education is the worker's greatest leverage for overcoming the handicaps imposed because of lack of property, family position, and control over the conditions of his employment.

Security through expanded production.—Contributing to the security of the worker is the technical efficiency of machine society in producing vast quantities of want-satisfying goods. But, someone may object, of what avail is it to increase the amount of consumable goods if population in industrial society tends to increase in the same or even in an accelerated ratio, or if the increase in the sum total of goods produced is not accompanied by corresponding improvement in the distribution of these goods to assure the worker a proper share in the potential comforts and pleasures which these goods represent? It is true that a large increase in population has accompanied the transformation of agricultural nations into industrial nations. But much of this increase is due to immigration from other areas and to greater conservation of human life, particularly the reduction of infant mortality, rather than to a proportionate increase in the birth rate. Moreover, there is considerable evidence that advertising and the subtle suggestion of still higher accessible standards of living tend to limit the willingness of human beings to assume the burdens of unlimited families. The propaganda for particular methods of birth control has probably accomplished much less than the realization that unlimited propagation makes impossible the satisfaction of those wants aroused through desire-creating mechanisms. Of the second objection, that unequal distribution may prevent the worker from sharing in the increased total of want-satisfying goods produced, it should be said that such growing devices as inheritance and income taxes built upon a progressive base; the fast growth in city, state, and national concern for common access to education, playgrounds, art galleries, and so forth; and the assurance of certain minimums in wages, safety, and health—all tend to secure a direct distribution of wealth upon a more equal basis, or to distribute it indirectly by making the more fortunate pay the costs of providing through state activities for the masses' welfare.

Security through mass action.—Additional security is rapidly becoming a fact through the campaigns to prevent accident, stabilize employment, and, where a loss cannot be avoided, to meet it through various systems of insurance, whereby the direct or indirect difficulty of the individual is provided for by contributions from the mass. Under this heading can be suggested campaigns like the "safety first" movement; legislation providing safeguards for workers; studies in the prevention of unemployment and occupational disease; and various forms of insurance to meet the burden of ills which cannot be prevented, including insurance against accidents, unemployment, dependent old age, sickness, and occupational disease.

Security through class consciousness.—These securities of mass action have been greatly abetted by class consciousness. It is the recognition of the solidarity of class interest which has made large groups of organized workers willing to contribute to the support of smaller local groups or isolated individuals that may be dependent for example, because of strikes, sickness, death or unemployment. It is true that some of the securities which we are here discussing are at times afforded by the state or even by the voluntary action of employers.

However, it may be objected that class consciousness leads to the insecurities resulting from industrial conflict. In one sense, this is true; but the larger effect of this conflict seems to be the defining of issues and the forcing of new social arrangements, which, on the whole, have favored the worker in such matters as hours of labor and conditions of employment.

Security through ethical standards.—Modern workmen appear to be more secure through the development of ethical standards. It is true that the earlier era of concentrated, impersonal machine industry destroyed both the claim on the employer and the claim on the community which the manorial worker possessed. Spontaneous aid to a sufferer has become less easy in the sharply competitive and commercial city. Yet the power of the state is gradually being evoked to protect women and children, and workers in extra-hazardous occupations. Housing programs and regulations, free libraries and clinics, all point toward the increasing socialization of property. Codes of professional ethics have been developed to safeguard particularly the less fortunate from the prosecutions of "shyster" lawyers, the purveyor of fraudulent securities, and the medical quack. Growing respect for human beings as human beings has been reflected in the appeals for guarantees of minimum standards of living, the breaking of caste barriers to education, the abrogation of cruel and unusual punishment, and theories and procedures designed to secure to all equality before the law.

Security through the method and spirit of science.—Finally it may be said that underlying all these securities of the modern worker is the scientific method itself, the method of fearless investigation and application which assumes that all phenomena lie within the sphere of man's potential knowledge and possible control. The complexities and interdependence of industrial society resulted from the interaction of forces which, once set in motion, society has been powerless to stop and, as yet, powerless to control. Innovations have met and mingled with other innovations in ways which no one foresaw or intended. But though most of the larger changes occurred unconsciously and unintelligently, the multitude of ways in which man's control over his environment has been extended have all tended toward the breakdown of taboo and to the realization of the inherent assumption of science that nothing is too sacred or too difficult to be subjected to man's intelligence.

The scourge of yellow fever is no longer regarded as a supernatural manifestation of divine wrath. It is an affair of microbes, mosquitoes, and stagnant water. Navigation of the air, a proposal whose presumption was illustrated by the fable of Icarus, and whose absurdly impossible nature was emphasized by the derisive poem, "Darius Green," is now a stale wonder. Everywhere are the evidences that the taboo which once was attached to every new inquiry and experiment will ultimately be attached to nothing but the vain attempt to limit the sphere of investigation and control. Man has passed first through the period wherein he, like other animals, appropriated the things which nature furnished, then through the period in which he adapted the things of nature to his own use, and finally he is at the threshold of the period wherein he knows he can and is molding "an artificial world nearer to his heart's desire. Creative evolution is at last becoming conscious." With it all, the worker is promised a security beyond anything which he has yet attained.

Risk—In contrast to these securities of modern existence, the insecurities and risks stand as ever-present facts of modern life. The background of this fact of economic security has been explained as follows:

> "To grasp the problem as a whole, we must appreciate the peculiar position of the laborer in the machine system. This can best come from contrasting, say, the villain on the manor with the modern industrial 'hand.' Custom granted to the former the use of the same land year after year, exacted from him a fixed rent, forebade his dispossession, and made his position permanent. He and the land formed an inseparable industrial unit; there was always something for him to work with; what he produced he had. The problem of want might indeed confront him; but it was associated with a raid of an alien feudal lord upon his manor or the failure of the elements to grant a full yield from the earth. The group to which he belonged was established upon a 'personal' basis, and was possessed of a spirit of solidarity. He possessed as long as they possessed.
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> "In modern industrial society, on the contrary, there is no permanent association of the laborer with the instruments of production. He secures equipment with which to work by means of a 'contract' expressed in pecuniary terms, and running for a stipulated period. He owns no equities in the property with which he works. When the contract expires, it need not be renewed. No other property owner is compelled to make a new contract with him. The bait of higher wages, drawing him from place to place, is likely to prevent his

identification with a group animated by a spirit of solidarity. He has the tremendous advantages which come from freedom of movement and the chance to take advantage of the best opportunity which presents itself. He has the disadvantages which attend short-time contracts. These last are outgrowths of two sets of conditions: first, those affecting employment, causing it to increase or decrease, and to pay higher or lower wages; and second, his own industrial powers, which may be partially impaired or even totally collapsed from accident o sickness to which he is exposed. When they are gone, as they will eventually be in old age, he has no respectable surety of support."[1]

In a large part of the economic literature of the past, risk has been discussed largely as a factor affecting the employer alone, and little attention has been paid to the employee. That this should be the case is due in part to the role played by the employer since the industrial revolution, in part to the directness with which the effect of the materialization of employer's risks is felt throughout the whole economic system, and in part to the fact that the employer himself has greater resources of money, time, and intelligence for placing his risk-problems in the forms which bring them to public consciousness. Thus the risks of the employer from social hazards, from destruction of property, from uncertainties of the volume and nature of market demand, and from uncertainties in the productive process have received ever-recurring emphasis, and agency after agency has been developed for their elimination or for the counteraction of their effect.

Growing recognition of workers' risks.—Only recently, however, has there come any true realization of the risks to which the employee is subject, and a recognition that they may be of equal social significance to those of the employer. The work carried on in the last decade looking toward a more scientific and efficient selection, placement and training of the worker has involved so much detailed analysis of his position and problems that the business world in general has gained a larger outlook upon those problems and a more intelligent appreciation of what they represent. Thus it has been seen that there are risks arising out of the risks of the employer. The danger of unemployment, which probably constitutes the greatest risk to which the worker is subject is tremendously increased by the materialization of most risks of the employer.

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[1] W. H. Hamilton, "Current Economic Problems."—The University of Chicago Press, page 515.

Destruction of the plant through arson, or from natural causes, failure of sales-demand to keep up with the production schedule, breakdowns of machinery, and the changing of productive methods to fit changed merchandising conditions; all these may and often do result in the reduction or total disbanding of the labor force. Similarly the worker's risk of accident is heavily increased by the materialization of the employer's risks of arson, destruction, and so forth, while the hazard of incompetency in old age, which haunts the labor force continually depends very directly upon the risk of destruction or failure of the plant in which the employee's savings are invested, or from which long service has entitled him to draw a competence, either in the shape of a money pension, or of easy work at a comparatively high rate of remuneration.

Risks peculiar to the worker.—Besides those risks which arise out of and are accentuated by the risks of the employer, there is another class of risks to which the employee is peculiarly subject. To this class belong: the risk of occupational disease, the risk of accident due to the incompetence of fellow-employees, and the risk of unemployment brought about by changes in production methods which may be actually a benefit to the employer—an example of this last being the case where a new machine is substituted for old machines requiring the services of many more operators. All of these are risks attaching peculiarly to the employee by reason of his employment. They represent but a few of the many special risks which go to make up this class.

Common risks of worker.—In addition to the risks arising out of employer's risks and those peculiar to his own position in industry the employee is of course subject also to the same general risks as his employer. The dangers of ordinary sickness, of accident away from the plant, of domestic fires and domestic troubles are his in common with every other individual, of whatever rank or station in the economic and social organization. Stated in other words, the worker is subject not only to most of the risks to which other members of society are subject, but also to those other risks arising out of the nature of his employment, and out of the risks of his employer.

But mere enumeration of the risks to which the employee is subject as compared with his employer does not convey any adequate notion of the general degree of hazard to which the worker is subject. To gain this adequate notion it is necessary to consider some of the special factors affecting the worker's position.

Insecurity of pecuniary position.—One of the most important of these is the insecurity of his pecuniary position. For the great rank and file of workers wages are so low in comparison with the cost of necessities that little is left over from the weekly pay envelope after the ordinary household expenses have been met. Such being the case, it is not only impossible for the worker to lay by a large sum against the possible "rainy day;" he is also unable to expend any very large amount for the services of others, or for education which would enable him to combat his risks more effectively. The employer, on the other hand, with large financial power at his disposal, is in a position to purchase the most expert service in handling his risks, to take adequate insurance against their occurrence, and to secure such an education for himself and family as will ensure a continued recognition of risk and effort to overcome it. The influence which this preferred pecuniary position of the employer has had in the past is evidenced by the many standardized methods and institutions which have been developed for dealing with employer's risks. Thus we have the various types of property insurance, of business insurance, the stock and produce exchanges, and the various bureaus and services for forecasting and preventing the occurrence of events harmful to the employer's interests; contrasted with these we have the compartively undeveloped forms of insurance applicable to the risks peculiar to the employee, insurance against occupational disease, against accidents and against unemployment.

Risks not recognized.—A second factor working to the employee's disadvantage is his inability to secure a wide-spread recognition and appreciation of his risks. The cessation of one worker's activities, as the result of the operation of the risk of accident for example, is of not nearly such great significance as the destruction or failure of a plant supplying thousands of consumers. Furthermore, the absolute amount of the loss occasioned by destruction or failure of the plant is much greater than in the case of accident to a single worker. For these reasons greater attention has been given to employer's risks and their elimination has appeared the more profitable.

In the third place, the element of time plays a large part in increasing the degree of employee's risk. By reason of the fact that almost the whole of his waking hours are taken up in attending to the plain business of getting a living, the employee has little time for studying methods of avoiding and overcoming risk, nor for obtaining the education which will enable him to meet his risks effectually. Furthermore, thanks to machine industry, the nature of the work in which the greater part of our labor force is engaged, is of so monotonous a nature as to leave the worker with little inclination to occupy his leisure time with study.

Finally, the degree of employee's hazard is greater than that of the employer for the reason that the risks to which the employee is subject affect him more personally. That is to say, if the risks of unemployment, of accident, of occupational disease and so forth, materialize, the employee suffers directly, in physical pain, in hunger, and in the deprivation of his home of the necessities of existence. Materialization of employer's risks on the other hand acts first on the plant organization and only secondarily on the individuals who compose and control it. The effect of destruction or failure of the plant may, it is true, bring about a reduction in the employer's standard of living, or may reduce him to the rank of an employee, but rarely does it bring him to such extremities of personal want as do the losses of the employee.

For all of these reasons the degree of hazard to which the worker has been subject has tended to exceed that of the employer, and the consequences of materialization of risks have been relatively more serious and far-reaching. The influence of some of the factors mentioned above has tended to diminish somewhat in recent years, however, with the growth in strength of the labor unions and the turning of their attention to the mitigation of labor-risks, and with the development of interest in the new science of personnel administration. Through the wealth and influence which labor has been able to command when acting collectively, it has been able to secure expert and intelligent investigation of its risk problems and institute some remedial and insurance measures, while at the same time forcing upon the public at large a tardy realization and recognition of the nature and extent of labor hazards. Students in the field of labor and personnel administration have been able to discover and point out, after a thorough research, the greatness of the relative risk to which the employee is subject, and the impressiveness of the absolute risk when the labor force is considered as a whole.

Even yet, however, sufficient recognition has not been given to labor hazards, and certainly no thoroughly adequate means have been devised for combatting them. Something has been done toward the elimination of accidents through the efforts of "safety engineers" and the passage of workmen's compensation acts in various States has done much to relieve the worker from the consequences of the operation of the accident hazard. Very little at all has been done in this country, however, for the elimination and relief of unemployment, nor for provision against incompetency in old age, while in some cases the relief granted in case of accident is not sufficient to eliminate the need for aid from extra-economic agencies.

Methods to meet risks.—The best way to improve the worker's position would seem to be through application to his risk problems of the same methods as are employed in handling the risks of the employer. These are:

1. Prevention.
2. Forecasting or research to remove the uncertainty.
3. Combination of risks.
4. Compensation.
5. Accumulation of reserves.
6. Transfer to others—insurance, guarantee, hedging, and so forth.

Of course, the first, second, and fourth would seem to be most applicable. Efforts have already been made, it was noted above, for the prevention of accident, and in some few cases the same remedy has been applied to unemployment. One of the most recent developments of personnel administration in the clothing industry, for example, has been along the line of so offsetting the work of "made to measure" establishments against that of "ready to wear" clothing houses that the labor force may be shifted between them and unemployment eliminated. By research in the field of occupational disease, this danger can undoubtedly be greatly reduced; while a study of the causes producing unemployment, seasonal variations in demand, business depressions, and so forth, will undoubtedly uncover many other cases in which the same principle which was used in the clothing industry can be applied. The remedy of compensation can be extended to cover not only accident, but also the risk of incompetency in old age, by an adherence to the theory that long service entitles a man to some support during his declining years from the industry to which he gave the best years of his life. Should effective means be discovered for overcoming the risks of accident and unemployment, however, the risk of incompetency in old age would, for the ordinarily prudent man, be reduced in part.

In all of these methods and remedies the chief difficulty would seem to be that application of them must be made by the employer or by the state, inasmuch as the workers have no organization which is in sufficiently direct contact with the practical risk problem to be able to handle it. Through the agency of the union, however, labor is gaining a continually more powerful influence in affairs of state, while its power over individual employers has been demonstrated too frequently during recent years to require further illustration. Whether labor, through the union, ought to exert such an influence upon employers and upon the state, is a question which involves too prolonged an argument to admit of discussion here. Our purpose is served by simply pointing out the exceptional degree of risk to which the employee is subject and indicating in a very general way the probable line of development in the handling of the risks of the worker.

For Discussion

1. Do the recent famines in Russia and China and the epidemic of influenza in 1918 bear out the statement: The worker today has a security against famine and disease which he never possessed before?

2. Of what significance to the worker is the fact that the teaching of medicine is rapidly being taken out of the hands of profit-seeking institutions?

3. "Famine is never an absolute fact. The word implies simply that the price of food has passed beyond the worker's ability to buy. The under-nourishment of the working class is testimony to the fact that they live constantly in a state of semi-famine." Discuss.

4. Does the worker today have security against arbitrary treatment by the government?

5. Does the fact that possibly 30 to 40 percent of the workers stay away from the polls nullify the supposition that they have a security through increased participation in government?

6. "The worker today is in a far better position than the

mediæval serf who was forced to go to war at the whim of his lord." "The modern state in war time exercises its power of conscription without consulting the worker." Has the worker gained or lost in security against war?

7. Many matters are supposedly given thoughtful attention by statesmen which would be ignored if the worker did not possess the ballot. What matters? Be specific.

8. "The work of the research student and the more general teaching of the social sciences contributes to the security of the worker." Give content to this statement.

9. A labor leader says, "Any teacher who is intellectually honest can do more for the labor movement than the average officer of a union." Do you agree with this statement? Why, or why not? What is the assumption beneath it?

10. "Education makes the worker articulate." Articulate in regard to what?

11. Is there any real security to the worker in the fact that industrial society is producing increasing quantities of want-satisfying goods?

12. "The question that concerns the worker is not how much is produced but how it is distributed." Do you agree?

13. "Look at the marvelous variety of goods produced today and notice how the worker's life has thereby been enriched." "The worker now has his choice of fifteen expensive denatured breakfast foods in place of the good whole wheat which his ancestors ate." Which statement most adequately describes the worker's lot?

14. "A worker of moderate skill possesses the possibility of traveling either by auto or by train and in a thousand other ways of enriching his contacts, while the mediæval craftsman lived and died within the limits of a few square miles." What significance can be attached to this statement?

15. "The worker enjoys more security of property than ever before." "It is the security of property in the hands of the few that makes the worker insecure." What validity has each of the foregoing statements?

16. "Programs to prevent accidents, to stabilize employ-

ment, to pool financial risk do not constitute a gain in security as compared with the craftsman of 1700; they are simply imperfect devices attempting to meet some of the costs of modern machine industry." Explain and criticize.

17. How can class consciousness, which drives a wedge between the worker and his employer, afford a security to the worker?

18. "Class consciousness leads to conflict and conflict leads to a clarification of the issues." Specifically, what does this mean?

19. We are witnessing today a new development in ethical standards. Where do they come from, and of what significance are they to the worker?

20. "Science is neither moral nor immoral; it is 'unmoral.' Just as in war it can and does both save and destroy human life, so it can exploit or save the worker from exploitation." Discuss this statement.

21. How do conflict and complexity in modern social relations call for the scientific method?

22. "Intelligence originally developed to meet the need of a situation too complex to be handled by instinctive reactions." What does this suggest for the increasing use of rationality in seeking social adjustments?

23. Science is the enemy of taboo. Does science develop taboos of its own?

24. "It is the faith of the scientist that man is not a pawn in a game played by higher powers, that his external as well as his internal destiny is in his own hands." Of what value is such a faith?

25. To what extent is it true that the risks of the employer are also the risks of the worker? Illustrate.

26. Why have the risks of the worker not resulted in the creation of modern widely-used insurance devices?

27. How does increasing knowledge decrease risk? Illustrate.

28. What are the risks of the modern worker?

29. Modern industrial society has been termed "a risk-creating and risk-bearing society." In what sense is this a proper characterization of our economic organization?

30. "No small part of the problem of dealing with the risks of the worker is the cost involved." Indicate some of the costs.

31. Does the existence of risk bear any relationships to (a) unionism, (b) loafing on the job, (c) striking, (d) unrest, (e) crime, (f) woman and child labor, (g) radicalism?

For Investigation

King, W. L. M.: "Industry and Humanity."
  Searching and easy to read.

Williams, Whiting: "What's on the Worker's Mind."
  Popular and picturesque. Observations of one who has mixed with workers.

Tannenbaum, Frank: "The Labor Movement."
  Vivid and sympathetic treatment in chapter 1 of insecurity of worker.

CHAPTER XI

ACCIDENTS AND DISEASE, SICKNESS AND OLD AGE

A. Industrial Accidents

In a report submitted to the American Engineering Council by the National Safety Council of Chicago the following estimates were made of the direct loss due to accidents:

1. In 1919 there occurred, in all the industries of the United States, about 23,000 fatal accidents, about 575,000 non-fatal accidents causing four weeks or more disability, about 3,000,000 accidents in all, causing at least one day's disability.[1]

The figures for 1918 were about 13 per cent higher, owing to greater employment.

The time lost as a result of these accidents may be computed as follows:

Actual time lost in 2,977,000 non-fatal accidents..........	50,000,000 working days
Loss of future earning power as result of complete or partial permanent disability resulting from 115,000 accidents included in above, equivalent to........................	108,000,000 working days
Loss of earning power resulting from 23,000 fatal accidents equivalent to[2]..................................	138,000,000 working days
Total..................................	296,000,000 working days

2. If we may assume an average wage of $4 per working day, the above time lost represents a wage loss of $1,184,000,000. From this we may subtract the actual cost of subsistence of the men killed,[3] which may be placed at approximately 60 per cent of their wages, or about $331,000,000. This leaves a net economic loss to the country of about $853,000,000 for the year 1919.

3. A part of this loss is borne by the employer in the form of payments under workmen's compensation laws, made either

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[1] Estimate of Frederick S. Crum, Assistant Statistician, Prudential Insurance Company, based on all available statistics.

[2] The equivalents here used are those agreed upon by the statisticians of the Federal and State Labor Departments and Industrial Commissions. The equivalent for death or permanent total disability is 6,000 days, based on a 20 year expectancy of working life for the average workman accidentally killed or injured. Smaller equivalents are used for the loss of an arm, hand, finger, and so forth.

[3] For a period of 20 years, as above.

direct to the workman or in the form of insurance premiums. The remainder is borne by the workman himself, and his dependents.

4. In addition to compensation actually paid to the workman, the employer pays for medical and surgical aid and hospital bills, and also, except where he is self-insured, he bears the various administrative and overhead expenses of the insurance companies. In one State (Wisconsin) these costs, other than compensation, have amounted to 86 per cent of the actual compensation paid to workmen, while the latter has amounted to about 22 per cent of the total actual and prospective wage loss. Such data as are available from other States, and from insurance companies operating nationally, indicate that the Wisconsin figures are approximately typical. If this is the case, then the total direct cost of industrial accidents in the United States in 1919, including medical aid and insurance overhead, was not less than $1,014,000,000, of which $349,000,000 was borne by employers and $665,000,000 by employees and their dependents. These approximate figures are still short of the mark because they do not include such items as medical expenses incurred by workmen and not paid by the employer or insurance company, overhead cost of personal accident insurance carried by workmen, cost of training new men to take the place of those injured, employment department and welfare department expense in keeping track of injured workmen and their families, and so forth. The addition of these items would bring the total well over a billion dollars a year.

5. Experience indicates, and authorities agree, that 75 per cent of this loss could be avoided. This would mean a saving of a quarter of a billion dollars yearly, to employers, and a saving of half a billion dollars yearly, to employees.

Distribution of fatal accidents by industries.—It is obvious, of course, that some industries have contributed more to accident totals than others. It is well, therefore, to examine the following table of estimates, showing the probable accident rates for some of the typical and representative industries, which was prepared by Mr. Hoffman for the Prudential Life Insurance Company.

Economic and social losses of accidents.—It is possible to arrive at an estimate of the economic and social loss of industrial accidents. Mr. Hoffman estimates that the net economic gain from the life of a male wage-earner in mechanical and manu-

Estimate for the United States for 1916

Males	*Rate per thousand*
Metal mining	3.41
Coal mining	3.03
Fisheries	3.00
Electricians (light and power)	2.25
Soldiers	2.00
Quarrying	1.90
Lumber industry	1.50
Railways (steam)	1.42
Coke ovens	1.41
Building and construction	1.25
Watchmen, Policemen, Firemen	0.75
Agricultural pursuits	0.35
All occupied males	0.66

facturing industries averages $300.00 per year, his normal period of industrial activity extending from the fifteenth to the sixty-fifth year. One writer applied this estimate to a study of industrial accidents during one year in Allegheny County.[4] During the year studied, 526 men were killed by industrial accidents in the county. Taking the actual ages of the men killed into consideration, but using $200.00 instead of $300.00 as the yearly economic gain, it was estimated that the net cost of fatal accidents in that one county alone was $3,828,090.

In a similar way an estimate was reached for non-fatal accidents. Approximately 2,000 men injured in industrial accidents were sent to the hospitals during that year. Of these, 60 were totally disabled for life; 192 were partially disabled for life, their earning capacity being reduced 29 per cent on the average; the rest were totally disabled for periods ranging from one week to one year. Reckoning the loss to society from the total or temporary disability as above, but including the cost of their maintenance during disability, there is estimated a loss of $1,320,636, as follows:

Loss to society from men totally disabled for life	$ 734,928
Loss to society from men partially disabled for life	372,708
Loss to society from men temporarily disabled	213,000
Total	$1,320,636

Adding to above estimates $80,000 as hospital charges for the year's industrial accidents, we arrive at the total estimated loss incurred by society on account of the industrial accidents of one year in one county. The figures are:

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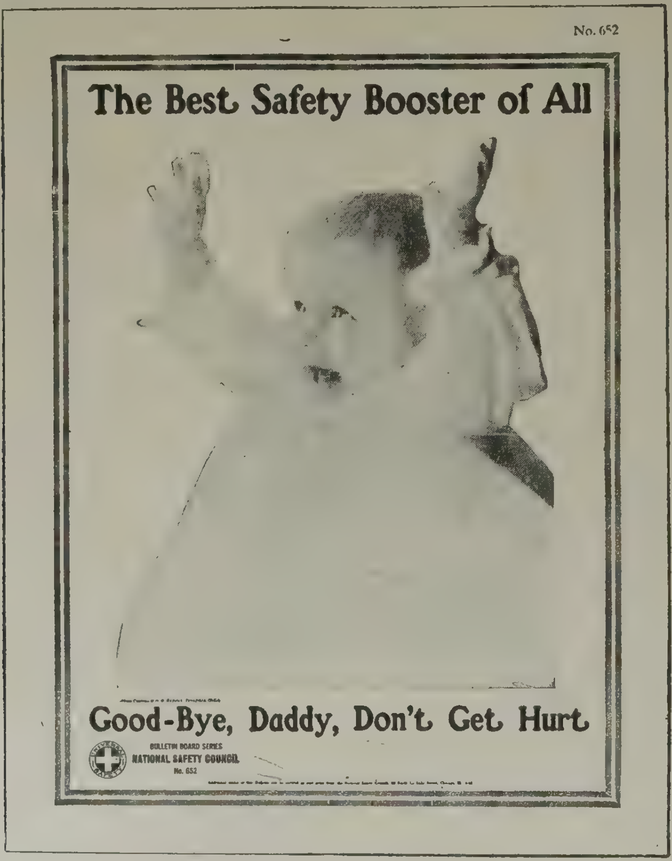
[4] Eastman, Crystal, Work Accidents and the Law, Charities Publication Committee, New York (1910). Appendix IX, page 315-17.

Loss to society from deaths due to industrial accidents	$3,828,090
Loss to society from non-fatal industrial accidents	1,320,636
Loss on account of hospital charges	80,000
Total loss to society on account of one year's work accidents	$5,228,726

The consequences to a workingman's family resulting from the death or maiming or incapacitating of the worker are serious and patent since more than 50 per cent of the workers are married and have dependents.


No. 652
The Best Safety Booster of All
Good-Bye, Daddy, Don't Get Hurt
BULLETIN BOARD SERIES
NATIONAL SAFETY COUNCIL
No. 652

Courtesy of the National Safety Council

Illustrates Employers' Campaign for Safety

Risks and wages.—If workers received increased wages for taking positions in which risks were great and if they employed such increased wages to purchase insurance against accidents, something could be said for a policy of not burdening the employer with the cost of accidents except in cases of negligence or wilfulness on his part. But the facts seem to show that the worker is hardly rational enough in his conduct to assure the happening of both of these contingencies. Workers, on the whole (1) will not insure themselves against accidents, and (2) are not paid wages based upon the risks in particular jobs. The first conclusion needs no discussion since the reasons are many and evident; the second is somewhat less obvious.

To be paid according to the risk on a job, first, a worker and all his associates competing for a job would have to know what degree of risk existed in each job, and second, he and they would have to be able to choose rationally between jobs, rejecting the more dangerous unless it pays the cost of the risk involved. To state the situation is to reveal its impossibilities. Knowledge of risks is not the property of the worker, and the supply of workers is commonly such that the worker has little choice when looking for a job. True such occupations as manufacturing powder bear evidence of higher wages because of the supposed risks involved, for there is something dramatic in powder mill explosions which it is possible for the mind of the worker to retain, and in certain other industries the permanence of the work force is affected by the fact that newcomers soon learn that the trade is dangerous and leave their jobs to be filled by new applicants. Yet these evidences of dissatisfaction, which arise from fear of accidents, are entirely too restricted and too blind for the exactment of wages from industry as a whole in proportion to the risks assumed by the worker.

Causes of industrial accidents.—The causes of industrial accidents are many. Tead and Metcalf list them under three headings: mechanical, physiological, and psychological.[5]

"The mechanical deficiencies are obviously to a large extent remediable. Unguarded machinery, dangerous elevators, slippery floors, obstructed passageways, overspeeded fly wheels, and all the other familiar causes for which the worker is not in any way to blame, have their cure readily at hand for the plant which will apply it.

"The physiological causes underlying accidents are due to long hours of work, an unhealthy working environment, inadequate lighting or ventilation, or tasks that are monotonous or arduous. The manner in which a worker handles himself or performs his duties is profoundly influenced by his bodily condition. A man who suffers from overstrain and worry, or from excessive fatigue, is not a safe person in the neighborhood of any accident hazard.

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[5] Tead and Metcalf, "Personnel Administration," page 101.

"The psychological causes of accidents are ignorance, inexperience, carelessness, recklessness, lack of plant discipline and supervision."

Coping with causes of accidents.—To cope with the causes named, the responsibility belongs to no one group. The employer certainly is partly responsible; the employee often contributes with his carelessness; the public is not exempt from blame in its insistence that goods be produced for its use which inevitably entails loss of life or incapacitation of workers.

The theory beneath workmen's compensation legislation was that by placing the initial cost of industrial accidents upon the employer, accident prevention would be encouraged. It assumed that although accidents are not personal, if he bore the first cost he would seek to reduce that cost by all possible means. The expectation has been justified by the history of compensation legislation. It was not until we had compensation legislation that we had the "safety first" movement, a scientific wide-spread study of safeguarding machinery, and the development of safety campaigns. Workmen's compensation legislation made accident-prevention pay; it is commonly accepted today by employers as a desirable bit of legislation.

The cost to the worker of workmen's compensation lies in the fact that he secures from 50 to 66⅔ per cent of what he would secure in theory under the common law for injuries chargeable to the employer, but inasmuch as at common law he was forced to hire a lawyer, to sue to establish responsibility of the employer, and to wait for an uncertain sum after a long drawn-out legal battle, he today commonly recognizes the gains of compensation legislation.

The public carries part of the burden under every compensation plan to the degree that accidents are not avoided and become the costs of production of particular commodities to be passed along, in the long run, to purchasers of the product.

Compensation legislation.—At the present time all but three of our States have workmen's compensation laws. The tendency of American workmen's compensation is to cover all employments except farm labor and domestic service, although some states still limit compensation to so-called "hazardous" employments. Medical care is usually provided at the employer's expense. There is a waiting period of from three weeks to a few days immediately following the accident during which no compensation is paid. Thereafter compensation is 66⅔ per cent of wages in Massachusetts, Nebraska, New York, Ohio, and under the Federal government; 65 per cent in California, Illinois (sliding scale), Kentucky and Wisconsin; 60 per cent in Hawaii, Kansas, Minnesota. The shortcomings of compensation legislations are: (1) Farm workers, casual laborers, domestic servants, workers in so-called non-hazardous industries, and employees of establishments of less than a specified number of workers are excluded. (2) The waiting period, ranging from three weeks to a few days, with about one-third of the States fixing it at two weeks and an equal number at one week, works a real hardship. The family of the average worker has no margin of savings and suffers greatly from even one week's loss of income. (3) The amount of money paid is inadequate. The States have fixed the compensation at 50 to 66⅔ per cent of the weekly wage. (4) A weekly maximum of eight to twenty dollars is often fixed, so that in many instances a worker receives only 25 per cent of his weekly wage, although by the former provision he is allowed from 50 to 65 per cent. (5) Closely connected with the problem of the money allowance is that of figuring the weekly wage in irregular industries. States have differing practices in this regard, some of which when based upon a period of short time and low wages instead of upon average earnings over an extended period, tend to reduce still further the final amount allowed. (6) Society does not feel other responsibility to the industrial cripple than the mere giving of compensation. The worker must limp through life as best he can. Policies of vocational rehabilitation of injured workers are needed.

Vocational rehabilitation.—A step in the direction of vocational rehabilitation was taken in a bill approved June 2, 1920. Its main provisions are as follows:

There is appropriated for the use of the States, subject to the provision of the act, for the fiscal year ending June 30, 1921, the sum of $750,000; for the fiscal year ending June 30, 1922, and thereafter for a period of two years, the sum of $1,000,000 annually. These sums shall be allotted to the States in the proportion which their population bears to the total population of the United States according to the last preceding census. The States are required, first, to accept the provisions of the act through the legislature; second, to empower and direct, through the legislature, the board designated or created as the "State Board for Vocational Education," to co-operate in the administration of the provisions of the Vocational Education Act, to co-operate with the Federal board in the administration of this act; third, to provide for a plan of co-operation between the State board of vocational education and the State workmen's compensation board; and fourth, to provide through legislation, authority for the supervision and support of courses of rehabilitation to be provided by the State board in carrying out the provisions of the Federal act. The Federal board shall co-operate with the State boards in carrying out the provisions of the act. The following States have enacted legislation accepting the provisions of this Federal act: Alabama, Arizona, California, Georgia, Idaho, Illinois, Indiana, Iowa, Maine, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Jersey, New Mexico, New York, North Carolina, North Dakota, Oregon, Pennsylvania, Rhode Island, South Dakota, Tennessee, Utah, West Virginia, Wisconsin and Wyoming.

B. Occupational Disease

Besides the danger of injury from machinery, or other conditions related to the worker's job, there are certain especially dangerous or injurious trades in which poisoning and disease are incidental to the trade processes. Mr. William English Walling, formerly a factory inspector of Illinois, has classified these dangerous trades as follows:[6]

"1. Trades in which lead is a poisonous element: the manufacture of earthenware and china; file cutting; the manufacture of white lead; lead smelting; the use of lead in print or dye works; the manufacture of red, orange or yellow lead; glass polishing; enameling of iron plates; enameling and tinning of hollow ware and cooking utensils; processes in which yellow chromate of lead is made, or in which goods dyed with it undergo the process of winding, weaving, and so forth.

"2. Trades which produce other chemical poisons: the manufacture of paint and color; the extraction of arsenic; dry cleaning; paper staining, coloring and enameling; hatter's and furrier's work; the manufacture of matches; chemical work; bronzing and metallochrome powder in lithographic work; india-rubber work; dyeing with certain dyes; the mixing and casting of brass, gun metal, bell metal; work on white metal; work on phosphor bronze, and on manila mixture.

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[6] "Final Report of the Industrial Commission," 1902, XIX, pages 901–2.

"3. Trades in which anthrax or lockjaw is an accident: wool sorting; the handling of hides and skins; work on hair; brush making; bone factory work; fellmongers' work; furrier's work; employment in a tannery; wool combing; blanket stowing and tentering; warp dressing, carbonizing and grinding, or handling rags; flock making; feather cleaning.

"4. Trades in which the danger arises from injurious particles in the air or from dust: basic slag work; the manufacture of silicate of cotton; file cutting; flour milling; trades which use grindstones or emery wheels; china scouring; silk combing; flax scutching.

"5. Trades in which accidents are so frequent as to demand special legislation: metal works which use converters; electrical generating works; bottling and bottle testing; quarries; the manufacture of salt.

"6. Processes which require a sudden change from great heat to cold, and vice versa: lacquering and japanning; galvanizing of iron; work carried on in furnaces and foundries.

"7. Processes that require artificial humidity: cotton spinning, weaving, and so forth; flax spinning, weaving, and so forth; wool spinning; silk spinning."

There are in addition certain classes of diseases which, for compensation purposes, come in the category of occupational diseases, although ordinarily they are non-occupational in character. These are diseases such as typhoid fever, erysipelas, pneumonia, and ivy poisoning, when they arise out of and are proximately caused by the employment, and those diseases which either result from an accident or are aggravated or accelerated by an accident, and which presumably would not have developed had not the accident occurred.

Only eight of the compensation jurisdictions in the United States provide awards for occupational diseases. In the others occupational diseases are excluded from the operation of the compensation laws. This exclusion has been brought about by limiting the scope of the law to injuries by accident, by adverse rulings of the courts and commissions, and by express provisions in the laws themselves. The failure to include occupational disease in the compensation laws was due, in part, to the fact that at the time the laws were drawn, there did not exist reliable data as to the prevalence and probable cost of such diseases, which has been since computed by Carl Hookstadt of the United States Bureau of Labor Statistics as not greater than two per cent of the aggregate cost of all industrial accidents.

Diseases as accidental injuries.—Despite this, however, many diseases have been held to be accidental injuries under workmen's compensation acts, partly because it is often difficult to differentiate diseases from accidents and partly because judges and juries, although charged with the obligation of judging according to the law, have felt not unfriendly toward the applicant for compensation. Moreover, employers after they have paid their compensation insurance bill are not inclined to assist the insurance company in escaping liability. Thus the following have been held to be accidental injuries under compensation acts:

"paralysis caused by exertion of a traveling salesman in running to catch a train while carrying heavy hand baggage used by him in his work; nephritis caused by exposure of a workman going to his home after working in heat and steam; acute pericarditis following injury to side; acute peritonitis following injury; strangulation of an existing hernia; diabetes from shock to a workman previously in good health; tuberculosis following accidental fracture of ribs; bronchitis attributable to debilitated state to which workman had been reduced by broken leg and crushed back; eczema caused by exposure to fumes and splashes of carbon bi-sulphide; rheumatism and gangrene subsequent to injury caused by dropping heavy weight on foot; serious nervous disease following shock from fire which burned part of shop; death caused by inhaling poisonous fumes generated by firing a shot in a mine.

"Where an employee receives an injury to his foot and while convalescing takes a ride in an automobile and contracts pneumonia, and the testimony is conflicting as to any connection between the accident and the pneumonia, it was held the award would not be distributed. Where a fireman of a zinc smelting plant, whose duties were to draw the scum from the molten zinc which contained arsenic and gave off fumes or gases, becomes sick and dies after a few days' illness with symptoms of arsenical poisoning, the administrator may recover as for an accidental injury, where it is shown that during fifty years of operation of the plant, no case of lead or arsenical poisoning had ever been known. Where an employee was injured by a barrel falling on his leg and the injury subsequently developed an abscess, necessitating treatment in a hospital, where he suffered further injury from a fall while getting out of bed, breaking his leg at a point where the abscess had attacked the bone, his death from shock when operated on six days later was held properly attributable to the original injury.

"Also under the Massachusetts Compensation Act providing for compensation in all cases of 'personal injury,' lead poisoning and glanders have been held properly attributable to the original injury."[7]

C. Sickness

We have in the United States no very exact figures showing the amount of loss caused by the illness of workers. A survey made by the Metropolitan Life Insurance Company in Rochester, New York, resulted in the estimate that men lost, on an average, 8.5 days a year, and women 9.4 days.

For the country as a whole, the following estimate has been made of the amount and cost of sickness among wage-earners, upon the basis of the 1910 census, according to which there were 33,500,000 workers:[8]

Estimated number of cases of sickness on the German basis of 40 per cent of the number of persons exposed to risk	13,400,000
Estimated number of days of sickness on the German basis of 8.5 days per person per annum	284,750,000
Estimated loss in wages at an average of $1.50 a day for 6/7 of the 284,750,00	$366,107,145
Estimated economic loss at $.50 a day for 6/7 of 284,750,000 days	112,035,715
Total social and economic loss of sickness per year	$792,892,860

Most workers and their families do not have adequate medical care, and many entirely lack the advice of physicians and the most elementary nursing care, even in maternity cases. Many cannot pay even a nominal fee for a physician or for dispensary treatment. Free hospitals, dispensaries, and nursing service fail to meet the whole problem. If workers are unable to pay even small fees for medical care during illness, they are, of course, unable to tide over periods of prolonged illness without help. Most family social work societies report that sickness is the greatest single cause of applications for help. Of the total number of families asking help in a given year, from 25 to 35 per cent are forced to such a step by illness.

Responsibility for sickness.—The amount of illness and the number of deaths are affected by many conditions. According to the report of the Illinois Commission on Health Insurance made in 1919, most sickness cannot be traced to a single definite source. In the opinion of the commission the community, industry, and the individual each bear some measure of responsibility.

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[7] Harper, "Workmen's Compensation," pages 50–52.

[8] Rubinow, I. M., "Social Insurance," Henry Holt & Co., N. Y. (1913) page 214.

Sickness insurance.—A number of methods of providing insurance against illness have been tried in the United States, all of which have proved inadequate. Establishment funds, commercial health insurance, fraternal insurance, and trade union benefits are some of these methods.

The term "establishment fund" denotes a benefit fund limited to the employees of a single industrial establishment or organization. Such funds are the exception rather than the rule even in very large organizations. Commercial health insurance is limited in extent and has developed slowly, the more common forms having relatively high premiums. Fraternal societies often combine with their social features some provision for sickness or temporary disability. Trade unions at times help in a limited way. Health insurance, if adopted, should seek to care for the sick and the dependents during the time the wage-earner is sick, but more especially to prevent sickness.

SAFEGUARDING GOOD HEALTH

Courtesy of the National Safety Council

A Well-ventilated Working Place

The American Association for Labor Legislation has studied the question of health insurance and proposes that all persons employed at manual labor and all employees paid less than a certain sum will be compulsorily insured, that employer, employee, and the State each pay one-third of the contributions.

D. Inadequate Provision for Old Age

The worker's problem of provision for old age arises out of his fear of inability to find work because his productive power has waned, not temporarily, but forever. The problem of old age in its present form did not exist until men became dependent upon the wage contract for their existence. As the mediæval worker became old he worked less and produced less, but he went on working as long as he could produce something. The same situation is true in an agricultural community; the usefulness of an old person is not ended until actual senility is established. But in a typical industrial community, under a wage system, the condition is different. Economic disability may arise suddenly while the aging worker is still fit for work but finds himself below the level of productivity set by the employer. Economic old age arrives today earlier than physiologic old age.

Three ways are open to the aged worker to provide for himself when he is unable to find employment, or is unable, even though employed, to earn the full amount necessary for his support: (1) to fall back on his savings; (2) to depend upon his children or relatives to support him; (3) to accept public or private charity.

It has been pointed out that the wage of many workers is not sufficient to permit savings to tide them over a prolonged, though temporary, period of idleness. The amount necessary for the care of old age is large and uncertain. The worker cannot know how much he should save, even if able to save. In thousands of cases children and relatives can and do help aged dependents. But in many instances the aged poor are single individuals, or if married or widowed, they have no children. In other cases, if there are adult children or relatives, they are unable to render any aid, or sufficient aid, or if they are able, they may be unwilling to do so. Moreover, it may be a burden upon children or relatives out of proportion to what they should bear, with due regard to the fact that they have to struggle for a livelihood for themselves. A large part of the burden of old age, therefore, falls upon private and public charity.

Charity, of course, cannot be considered a satisfactory solution of the old age problem and the results achieved by the existing forms of voluntary insurance or private provision are not extensive or satisfactory in the main. Trade unions, fraternal orders, private insurance companies, a few large corporations, and State and municipal governments have limited systems which have been helpful; but much remains to be done.

Insurance for old age.—Various systems of insurance for old age are possible: insurance initiated by employers; a voluntary annuity system; a compulsory contributory system; and a system whereby pensions are payable to the aged out of the public treasury.

Out of a desire to provide for old age, to reward for long service, to increase efficiency, to hold workers to their jobs thereby reducing labor turnover, and to prevent strikes employers have increasingly of late years adopted various plans of old age insurance. These have consisted largely of a non-contributory system in which no rights exist in the employee; of non-contributory "limited contractoral" plans in which the employee has some vested rights; and of contributory systems in which the employee paying part could retain his insurance even though he has "split" with the employer. A few firms have presented employees yearly with paid-up securities starting at 60, 65 and 70 years in sums of $5, $10 and $20 a year for each year of service. It is evident, of course, that to the worker there is the greatest security in this last method and correspondingly less security in the others.

Aside from methods of insurance initiated by employers, the voluntary annuity system, even though heavily subsidized by the State, is inadequate. Students of such systems conclude that they attract only a small proportion of the working class and that the pensions actually acquired are pitifully small. With 40 years' experience in England only 150 persons annually purchase old-age insurance under the post office plan.

Compulsory contributory old-age insurance as a State program has difficulties which render it impracticable as a comprehensive scheme. (1) All the present generation of workers could not benefit in full amount by such a scheme. Fully 35 years would be required before the system could work satisfactorily without being supplemented by a partial or full pension plan. (2) The necessity for keeping accounts with all workers throughout their working lives, makes its administration difficult. (3) The provisions for a worker's dependents in their old age would not be solved by a system of insurance which is customarily limited to wage-earners. A large number of aged dependents are widows. They have usually not been wage-earners and would, therefore, have no rights under an insurance plan requiring contributions from wages. (4) The wage-earner would be unable to bear the burden of rates increased to secure provision for his dependents. Under the non-contributory system, pensions would be paid from the public treasury, either from moneys collected by the regular system of taxation or by a special tax for the purpose. Safeguards would have to be thrown around such a system to prevent the danger of pauperization and of dependence on the State.

First steps have already been taken in the United States toward participation by the government in old-age insurance. Massachusetts in 1907 and Wisconsin in 1911, established systems of a limited type but the number of persons who have taken advantage of such provision is insignificant when compared with the number in need. More recently the enactment by Congress in 1920 of the old-age retirement and disability insurance law for about a third of a million Federal employees has aroused new interest in the question of old-age pensions. The American Association for Labor Legislation has prepared in suggestive form an old-age pension bill, which will probably be introduced in many State legislatures in the near future, and the Fraternal Order of Eagles has stepped forth to champion the idea.

For Discussion

1. Make a list of the factors which cause accidents.

2. To what extent is the employee to blame? The employer? The public? No one?

3. Will the safeguarding of machinery, according to our latest knowledge of safeguarding, wholly eliminate accidents? Why, or why not?

4. "The common law assumed that the causes of accidents were personal." What does this statement suggest? Under conditions of production in a simple craft era was not the assumption of some validity? Why, or why not?

5. What are the costs of accidents? Make certain that your list is complete.

6. Accident costs have been classified under two headings: direct costs, and indirect costs. What are some of the indirect costs?

7. Do the following appear to be reasons: Accidents happen because (a) men take unnecessary chances, (b) machinery is not safeguarded, (c) men are careless, (d) that is the nature of industry today and no one is to blame, (e) men are tired out, (f) lighting is bad, (h) workers have not kept fit, (i) rules are broken, (j) workers are just learning a particular job? Add to the list.

8. What was wrong with the theory of the common law with respect to the responsibility for accidents?

9. Describe the operation of the workmen's compensation laws with respect to (a) certainty, (b) adequacy, and (c) promptness of payment to the injured worker.

10. What are the shortcomings of a system which charges all employers in a given industry the same fee for carrying their insurance?

11. What is meant by the term "merit-rating"?

12. What is the objective, or what are the objectives, of a desirable system of accident insurance?

13. Why are cases of occupational disease at times difficult to differentiate from accidents?

14. What assumptions are necessary to the conclusion that workers are paid increased wages for assuming work which involves the danger of occupational disease?

15. Granted that workers were paid increased wages to cover the occupational health hazards attached to certain jobs, would this solve the problem of occupational diseases?

16. Why do not workers take out health insurance when they know they are working at unhealthy jobs?

17. Who is to blame if the worker becomes diseased while working, because of the nature of the product which is being handled? Is society wholly faultless?

18. "The public has no right to goods at less than the entire costs of production." What has this to do with the problem of occupational disease?

19. "Sickness is more costly than accidents." Do the facts seem to support this statement?

20. Granted that a worker falls sick. In a given case, who is to blame?

21. If workers would take care of themselves outside of work hours would there not be less sickness?

22. Is it fair to hold an employer responsible for sickness of his employees in the light of your answer to the preceding question?

23. Why do not workers take out health insurance?

24. If the State provides health insurance will not workers be encouraged to take chances with their health?

25. Make a list of the cost of sickness of workers to (a) the employer, (b) the worker, and (c) society.

26. "Sickness insurance is but another scheme of socialists to place the individual in the position of a ward of the State." Discuss.

27. "What we need is a self-respecting individualism and that is what these schemes of social insurance do not appreciate." Discuss.

28. "Work out a plan of sickness insurance, and the combination of the politician seeking votes and the sentimental reformer will raise the benefits to the roof, or higher." Comment.

29. What arguments can be given in behalf of old-age pensions?

30. What are some of the outstanding problems connected with the giving of old-age pensions?

31. What is the present status of legislation relative to old-age pensions?

For Investigation

Federated American Engineering Societies: "Waste in Industry."
Factual, brief, pointed.

Woodbury, R. M.: "Social Insurance."
Standard treatment.

Lauck and Sydenstricker: "Conditions of Labor in American Industries."
Readable survey of a broad subject, introductory in nature.

Eastman, Crystal: "Work, Accidents, and the Law."
Illustrated report on conditions in steel industry in Pittsburgh district.

Government Printing Office: "Comparison of Workmen's Compensation Insurance and Administration." April, 1922.
A complete study by Carl Hookstadt.

Frankel and Fleisher: "The Human Factor in Industry."
A sympathetic interpretation of the lot of the worker.

Report of the Health Commission of Illinois, 1919.
Survey of subject of health insurance.

Epstein, Abraham: "Facing Old Age."
Comprehensive and recent.

See also copies of *American Labor Legislation Review* for current problems and trends in accident prevention, health, and social insurance.

CHAPTER XII

UNEMPLOYMENT

In June, 1921, 4,000,000 employees were idle, and many more on part time. On January 25, 1921, in industrial cities of 35 States and the District of Columbia, there were 3,500,000 fewer workers employed in the mechanical industries covered than in January, 1920, a reduction of 36.9 per cent. These figures do not take into account the railroad and mining groups and firms employing less than 501 workers, and therefore fall short of disclosing the actual extent of unemployment. In eight basic industrial groups there was an average of 35.5 per cent fewer persons employed in January, 1921, than in January, 1920, according to official estimates as follows:

Industry	*Per cent fewer, 1921*
Metal and products, machinery, electrical goods, foundry products	30.5
Building trades	52.4
Packing and food products	19.0
Textiles and clothing	35.5
Leather, boots and shoes	34.9
Automobiles and accessories	69.2
Lumber, house furniture, boxes, and wood products	32.3
Clay, glass, cement and stone products	19.3

City relief to unemployed.—Figures are not available to show the amount actually expended for public and private relief to those suffering from unemployment in 1920-1921. Private charitable organizations undoubtedly made large expenditures, as well as friends and relatives and non-charitable organizations. For the relief of unemployment the following appropriations were made in fourteen cities:

Baltimore	$ 100,000
Bridgeport	300,000
Buffalo	300,000
Cincinnati	10,000
Dayton	100,000
Flint	500,000
Fort Worth	4,000,000
Lynn	75,000
Minneapolis	1,000,000
New Haven	250,000
Phoenix	465,000

St. Louis	$ 60,000
Toledo	286,000
Waterbury	700,000

Social cost of unemployment.—But the cost of unemployment is not measured merely by loss in wages and in production, and in the expenditures for charitable relief. There are social and civic costs and costs to industry that must be paid in the future. The standard of living of the worker's family, the quantity and quality of his food, clothing, and shelter is determined by his average, year-by-year earnings, not by his wages in some short, busy period. These earnings often force the decision that the wife shall add wage-earning to her home duties. The average determines what sort of upbringing the children shall have, if they are to be undernourished, if they are to be left largely to their own resources and sooner or later be classed among the juvenile delinquents, and if they are to leave school at an early age and be forced into unskilled labor. Moreover, the bitterness and dependency caused by a period of idleness are bound to be reflected in a hundred different costs to the community. Whiting Williams, in commenting upon unemployment, writes:

> "The most important factor of all in the life of the wage-worker is the job—the daily job. For him the day commences with the breathing of the prayer, "Give me this day our daily job." That is the only way in which the daily bread may be spelled with satisfaction and contentment in a civilization organized for the mass production required for meeting a fast-moving world's mass needs.
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> "It almost makes me shiver with the cold of these February mornings before the great factory gates when I think of the heart-sick dejection, the demoralizing loss of standing as a man, and the paralyzing fear of the bread line which fill the mind and soul of the man who after days of seeking has no job and knows not where to find one."[1]

Many of the tactics of unionism including restriction of apprenticeship, rules against the introduction of labor-saving machinery and even the pace at which the men shall work are determined in no small degree by fear of unemployment. String out the job, fight for shorter work days, loaf when the boss is not looking, and will not work be more steady? Will it not last longer? "In the long run," says the economist, "No!" But the worker is not an economist; he is in the here and now.

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[1] "What's on the Worker's Mind," page 202.

And regardless of the futility of his reactions when measured in terms of the long-run good of the workers as a whole, the particular workers or group of workers are satisfied with their interpretation. Unemployment and the fear of it causes the worker to strike back in terms that are costly to producers, consumers, and sometimes his own welfare. Even meek acceptance of unemployment has its costs. One social agency reports its experience with families of the unemployed during 1921 as follows:[2]

"The first months of unemployment have been tided over by the working man through the savings which the high wages of war years provided. Often he has not come to us until the time of unemployment has extended over a period of nine months or even a year. The average length of time of unemployment has been about five months. When he does finally come to us, we find him restless and confused. During the War he was encouraged to think of himself as vitally important in the industrial world, and to raise his standards of social welfare as increased wages made it possible for him to raise them. Now he faces the hardship of economic readjustment and a shirt-sleeved position in the social scheme. He has no job or, if he is fortunate enough to have one, it is at a wage which does not permit the standard to which he legitimately advanced during the period of high wages, nor is it sufficient in many instances to meet the continued high cost of living. One startling feature is the number of applications from parents who wish to place their children. It is easier for a woman to find work than for a man, and, in many instances, while a father is earning nothing at all or very little, a mother can find work which will enable her to support herself and her husband and perhaps to pay board for the children in an institution. Rents have not decreased and the average landlord is quick to serve an eviction notice for non-payment of rent. Therefore, if there is any money, he has first claim, for the family must have a place to live. The day of reckoning can be more easily postponed if economy is made in the purchase of food. Cases of malnutrition are coming more frequently to our notice. . . . . The nervous and mental strain of a long period of unemployment has been frequently noticed. The necessary curtailment of educational and recreational advantages has lead some young people to amusements of an unwholesome sort which have sometimes had seriously unhappy results. The price for broken homes, ill health, and relaxed moral standards will not all be paid to-day, but will be paid for in the future by perhaps prolonged care of those who suffer thus from the unemployment situation of to-day."

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[2] Family Welfare Association, Baltimore, Md., *Annual Report* for 1921, pages 3–4.

Causes of unemployment.—Unemployment is caused by factors reaching back into a vast range of incidents that characterize our industrial society and its wage-earning groups. Most obvious, as causes, are those physical and mental incapacities which tend to make a person unemployable. Of greater concern to the economist are such causes as cyclical and seasonal fluctuations in industry, changes in industrial organization, the existence of a labor reserve, strikes and other labor difficulties, wasteful methods of hiring and discharging workers, sudden immigration of workmen, and a host of other causes arising from uncertainties in political life, the vagaries of nature, and the insecure hold of the wage-earner on his job.[3]

Need of knowledge.—Prevention of unemployment has been given comparatively little serious thought. The only cure for unemployment, as has been said frequently, is employment. Industrial reorganization, therefore, and not merely relief, should be the goal. But a plan of reorganization cannot be suggested until we know the obstacles in the way of regular employment in our present organization. The first step in prevention, therefore, should be taken through a thorough-going, scientific study of these obstacles. The creation of a complete statistical barometer of trade through the Federal Bureau of Labor Statistics and the State industrial commissions is needed. More widespread education of the consumer will help, for the effect of trade depression is accentuated and prolonged by the policy of extreme economy which takes hold of the consuming public at such times. A knowledge of the meaning and effect of financial crises and industrial depressions, fluctuation of prices, trade activity, and business prospects would help prevent part of the needless panic that attends such phenomena. In fact it is likely that, given a full knowledge of the business cycle, its attending tragedy of unemployment would be largely averted.

Employers' control of unemployment.—Individual employers moreover, can do much to reduce unemployment in their own plants. The Dennison Manufacturing Company, for example, has adopted plans to regularize production in its plants. A statement from the personnel department says:

"At the plant of the Dennison Manufacturing Company a marked reduction in seasonal employment has been effected by the application of certain clearly-conceived principles. These principles were not put at once into sudden and complete operation, but were given a practical tryout, and were extended first in one direction and then in another, as conditions made possible. In the nature of things, any very considerable reduction must be a matter of gradual development. It is indeed going on here to-day, with the goal far ahead of present attainment; but results so tangible have been secured that the means through which they have been secured are no longer untested. The five principles applied include:

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[3] Cohen, J. L., "Insurance Against Unemployment," page 30.

"1. Reduction of seasonal orders by getting customers to order at least a minimum amount well in advance of the season.

"2. The increase of the proportion of non-seasonal orders with long delivery time.

"3. The planning of all stock items more than a year in advance.

"4. The planning of inter-departmental needs well in advance.

"5. The building up of out-of-season items and the varying of our own lines so as to balance one demand against another.

"Besides these methods of decreasing the pressure of seasonal demands, and evening out the inequalities, we can meet seasonal employment by conforming ourselves somewhat to it. We can balance the decrease of work of one department against the surplus of another. We can transfer operatives not needed in one line to another where there is work on hand. In doing so we make it a rule to transfer our operatives to the same off-season work each time so that they will develop proficiency in these off-season trades."

The Hills Brothers method.—Similar measures have been adopted by the Hills Brothers, importers and packers of dates. The season was formerly confined to the fall and early winter, with the heaviest demand at the holiday season. By putting forth additional advertising and selling effort, the season for eating dates has been lengthened, so that now they are considered appetizing from September to June. Even so, a peak of demand will exist in the early fall. To meet this demand a cold storage warehouse was erected into which is placed the daily production. Plants are so made that date-packing continues month in and month out at a comparatively even rate, but as sales fall off in summer a surplus is built up and held in the cold storage warehouse ready for instant release when the fall demand becomes insistent.[4]

The Chicago clothing industry plan.—In Chicago, the joint board of employers and workers in the "ready-made" part of the clothing industry, to meet the situation of a heavy demand for workers in one branch of the industry and slack time in the other, have worked out a plan permitting the transfer of cutters formerly employed in the tailor-to-the-trade houses, who would therefore be unemployed or working only part time, to ready-made houses where their services are needed. Later when the tailor-to-the-trade season begins and the ready-made season slackens a new readjustment can be made.

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[4] *New York Times*, September 11, 1921.

The number of such examples is small compared with the number which might be given if the requisite foresight were exercised and planning were done by all employers. The deep hollows of production in seasonal business need not always be so deep.

Spreading the work.—Employers also are able in times of depression to diminish unemployment in their own plants by means of spreading such work as there is, over as large a part of the working force as possible, rather than by concentrating it upon a few and dismissing the others. The difference between a ten-hour and a nine-hour day, other things being equal, would carry off a depression of 10 per cent. The difference between a ten-hour day and an eight-hour day would carry off a depression of 20 per cent. Except in one or two industries depressions are rarely as great as this. In most cases a reduction in the number of daily working hours for the entire force or part of it is the simplest and most economical form of short time. Shifting or rotating employees, the granting of furloughs, and the establishment of regular holidays, one day or a half day each week, are other methods of work distribution. It is important to remember, however, that the dividing line between employment and under-employment is an exceedingly narrow one, and that an excessive subdivision of work is likely to increase the evils of unemployment rather than mitigate them. This is particularly true of unskilled workers whose regular, full-time wages are barely sufficient to support life.

Planning public improvements.—Among methods to steady employment should be mentioned the efforts which can be made by public authorities to counteract the vagaries of private enterprise by a compensatory policy of constructive enterprise and purchase. The view that works of public utility might be undertaken in periods of unemployment is found in economic writings of the last two centuries. J. B. Say, in 1814, stated that it was a proper governmental function to employ those men thrown out of employment by the introduction of machinery.[5]

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[5] See Cohen, "Insurance Against Unemployment."

The possibility of such an employment policy rests largely with the Federal Government which annually handles large sums expended on permanent work of one kind or another; and upon enterprises which vary in urgency, and can therefore be subjected to a scheme whereby more employment is given when work in private enterprise is slack, and less when private enterprise is busy. A proposal has been made to plan public expenditures for permanent improvements on at least a ten-years program, the exact amount of the program to be undertaken in any one year to be determined with regard to the general state of employment.[6] There is the widest possible diversity in the urgency of city improvements. Most of them are so necessary that they must be undertaken as quickly as possible after the date of authorization. But there are others which, in the interest of economy and public welfare, could be planned to be undertaken, among other considerations, according to the state of the labor market and the rate of unemployment prevailing in the city.

This sort of policy must be sharply differentiated from relief work, the finding of made work, for the unemployed. It is claimed by many of the cities who made large appropriations in 1920–1921 that these appropriations were effectively used to push forward needed improvements. In some instances, perhaps, this was effectively done. But in other instances the appropriations were expended for what was really made work. In one city a fairly large expenditure was made, part of it for relief to families in their homes, and the remainder for advancing public improvements. The latter, however, were hastily determined by having each department head agree to use a certain number of men in his department. All the positions were for unskilled labor and it was frankly stated that not much was expected in the way of individual accomplishment, for the men were placed in work about which they knew nothing and for which they were frequently physically unfit. This was one of the reasons for paying less than the market rate of wages, and limiting the number of days allowed each worker. Men were paid thirty cents an hour for an eight-hour day and a four-day week, $9.60 a week for a man with a family to support. The result was that the system sent two men to the charitable agencies when only one should have gone.

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[6] Mayor's Committee on Unemployment, "How to Meet Hard Times," New York, 1917, pages 31-32.

Some unemployment inevitable.—Unemployment must be accepted as in some degree inevitable and even necessary. There must be a reserve to meet certain seasonal demands, as, for example, in the Kansas harvest fields, the California fruit orchards, and the fisheries and lumbering activities of the Northwest. Changes in the structure of industry must take place unless industry is to become stereotyped and unprogressive. The fortunes of numberless groups of employers mean insecurity for their employees. The latter are constantly passing from one employer to another, without always immediately finding the new jobs upon loss of the old ones. A nation-wide system of employment bureaus for the purpose of bringing together the supply and the demand for labor presents the means for most effectively handling the labor reserve.

The risk of unemployment can be greatly reduced by efforts of employers toward regularization within their own industries, through well-considered plans for public improvements and through the establishment of a national system of employment bureaus. But even with the effective operation of all these agencies it is not likely that unemployment will, for many years to come, if ever, be entirely eliminated. Many millions of workers are paid at a wage scale so low that it is impossible for them, unaided, to make adequate provision against unemployment. Many of them could only make savings at the cost of inadequate food and clothing for their families. It is true that the wages of some are sufficiently large to permit savings for provision against unemployment, but not all of this group do save. Thrift is not a national virtue. A thoroughgoing program of reform should include a method of giving impetus to voluntary saving and encouragement of investment in schemes to afford protection against unemployment. But granted all of these things, the problem of unemployment is still too insistent and too comprehensive to be solved. For these reasons, authorities on the subject are of the opinion that there ought to be insurance funds against unemployment.

Unemployment insurance in Europe.—The development of unemployment insurance has proceeded at a more rapid pace in Europe than in America. Therefore, some of the outstanding methods used abroad are worthy of consideration.

European Methods Considered

1. Voluntary mutual benefit schemes.—Throughout Europe, and particularly in England, trade unions have been quite active in insuring their members. In 1910, the year before public insurance was adopted in England, 96 per cent of the members of all registered unions were insured against unemployment, and nearly 30 per cent of the unions' total expenditures during the year were for unemployment benefits. In the ten years preceding 1907, the average amount paid per year for unemployment benefits by the 100 leading British unions was $1,955,444.[7] [8] It is said that since the adoption of compulsory insurance, the number of unions paying unemployment benefits has increased.[9]

In England and in Italy, friendly societies have in some cases attempted to give unemployment relief to their members. On the whole, they have not been successful because of the great varieties of risk to which their members are subjected, being drawn, as they are, from numerous trades and industries.

While voluntary schemes as devised by trade unions and mutual benefit societies have some merit and are of some value, they do not attack the problem at its roots. At best they are only supplementary to a more direct and comprehensive mode of attack.

2. Public co-operative relief funds.—Such funds have developed in many European cities, but have as a rule been unsuccessful. Membership in the organizations is voluntary, and conditioned upon the payment of contributions. Contributions are made also by municipalities or by private organizations, these providing the inducement for entering into the organization. This type of relief has been greatly abused by reason of the voluntary nature of the organization. It has served to protect the unfit and derelict only, as is indicated by the fact that memberships have been small, and in some cases as high as 85 per cent of the members have claimed benefits in a single year.[10]

3. Public subsidies to private organizations.—The so-called Ghent system is best known among plans of this type and has been widely adopted by municipalities and larger governmental units throughout Europe. The plan involves merely the application of the principle of helping those who help themselves. It was originated in Ghent, Belgium, in the latter part of the nineteenth century. Since then it has been adopted by many cities, and in some cases by national governments. In Belgium, for instance, in 1908, the national government undertook to grant subsidies to local funds on practically the same conditions on which the latter were subsidized by municipalities. In the original Ghent plan, the city undertook to contribute an amount equal to that contributed by the unions. This essential principle has been retained in all the modifications of the Ghent plan, the details of the agreements, of course, varying. The principle underlying the Ghent scheme has had wide adoption, not only in insurance but in other fields of activity. The public unemployment insurance laws of Denmark and England, among others, recognize the merits of the plan.

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[7] U. S. Commissioner of Labor, Twenty-fourth Annual Report.

[8] This is approximately £407,384, reckoning 4 shillings and 2 pence to the dollar.

[9] Cohen, page 279.

[10] National Industrial Conference Board Research Report No. 51, page 24.

While the Ghent plan is a great improvement over the purely voluntary plans, it has a number of weaknesses. For instance, it leaves the employer out of consideration entirely, and offers him no incentive to decrease unemployment. Nor does it ask him to bear any of the expense. Furthermore, it depends for its success entirely upon the co-operation and solvency of the unions. No public contributions are made unless like contributions are made by the unions. It may be pointed out that the latter will be typically weak financially, just when they should be strongest. In short, the Ghent plan depends for its success upon the solvency of the very persons whom it is seeking to strengthen financially. Then again, workers who are not members of trade unions are excluded, whereas they are probably in greatest need of help when a period of unemployment sets in.

4. Compulsory insurance.—Compulsory insurance has been widely adopted in European countries, and has met with varying degrees of success. The British system is representative, and its operation casts some illuminating reflections upon public insurance. The first insurance act was passed in 1911, revised a number of times, and remodeled in 1920. The 1920 act extended the 1911 act to cover nearly all trades, and was designed to relieve the depression current in that year. Despite its recent passage, amendments have already been necessary.

The 1920 act, as first passed, applied to workers in all trades except agriculture, domestic service, and the teachers and officers of local authority, and the public utility and commission agencies. Over 12,000,000 employees now come under the provisions of the act.

The act originally provided for contributions as follows:

	From Employer	*From Employee*	*From State*
Men	4d	4d	2d
Women	3½d	3d	1⅔d
Boys	2d	2d	1⅓d
Girls	2d	1½d	1d

In March, 1921, an amendment provided that weekly contributions should be as follows:

	From Employer	*From Employee*	*From State*
Men	6d	5d	¼ of joint contribution of employers and employees
Women	5d	4d	
Boys	3d	2½d	
Girls	2½d	2d	

Subsequently several other changes were made because of insufficiency of funds, until by an act of April, 1922, weekly contributions were assessed on the basis of 18 pence for men, 15 pence for women, 9½ pence for boys and 8½ pence for girls. The amendment of April, 1922, provided that if contributions were at any time insufficient to pay benefits, the Treasury might advance money up to £30,000,000.

It was also found necessary several times to change the rate of benefits paid, because of the developments of the years 1919–1922. In March, 1921, the benefits in effect were 20 shillings per week for men, and 16 shillings for women, with one-half these amounts for girls and boys respectively. Beginning in July, 1922, the period during which benefits would be paid was extended from fifteen weeks to twenty-six.[11]

Two fundamental weaknesses appear in the British plan already. First, the benefits are entirely inadequate; second, it was obviously not intended to cope with a period of depression such as that recently experienced. The British Labor Party demands benefits of at least 40 shillings a week for each householder and 25 shillings a week for each single man or woman. It may be remarked that the public in general, and even some employers, agree with the Labor Party in this respect. The act has been described as an "insult to starving men."[12]

A few figures indicating the operations of the British act emphasize some of the difficulties encountered in unemployment insurance. In June, 1921, it was estimated that 23 per cent of all those insured were out of work. Benefits were being paid to the extent of £2,000,000 a week with less than £350,000 contributed. In one year the benefits paid increased from £1,000,000 to £34,000,000.

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[11] National Industrial Conference Board, Research Report, No. 51, pages 38–47.

[12] C. H. Northcott, *Political Science Quarterly*, September, 1921.

In passing upon the success of the act it should be borne in mind that it was adopted as a last resort, after all other insurance measures had failed. Moreover, it was not intended to cope with the unemployment resulting from a depression such as that of recent years. Conceding these points, however, several inherent defects exist in the British plan. It does not prevent unemployment nor directly attempt to decrease it. It is not based upon determined risks; no distinction is drawn between industries or trades. It is expensive and difficult to administer through the present inefficient system of labor exchanges.

5. Proposal of anonymous employers.—Observing the shortcomings of public insurance as enacted in England, a group of employers have come forward with a definite proposal, in substance as follows:[13]

Employees are to contribute one penny for every ten shillings of wages. The State is to contribute a flat sum of £4,000,000 plus the cost of administration. Employers undertake to contribute the rest, their total contributions to be limited during an experimental period to two per cent of the wage bill. Subsequently the employers will assume the position of guarantor, replacing the State in that capacity.

Benefits are to be paid of 50 per cent of average weekly earnings of single persons, with an additional ten per cent for wife and five per cent for each dependent child; maximum payment to be £5. Benefits are limited to one week for each six contributions, and may extend to 26 weeks.

It may be pointed out that this plan involves a number of modifications and improvements over the present British act. It places the real burden upon the employers and will eventually place them in the position of guarantors. Society, or the State, contributes a flat sum, and is charged with the duty and expense of administration. Contributions from employees vary in proportion to wages, and benefits vary with dependents. The plan provides for substantially larger benefits than the existing act provides for, a factor decidedly in its favor. Finally, it offers more incentive to employers to lessen unemployment.

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[13] C. H. Northcott, *Political Science Quarterly*, September, 1921.

6. The Rowntree plan.—Rowntree and Company of York, England, on January 1, 1921, placed in operation a plan based upon the above proposal, designed to supplement State and union benefits.[14] The plan places a burden exclusively upon the employer and thus should serve to decrease or prevent unemployment. The company undertakes to set aside an initial fund of £10,000 to be added to yearly by an amount equal to one per cent of the wage bill up to £50,000 or five per cent of the wage bill. Employees to be eligible for benefits must contribute to trade union funds, must have been in the employ of the company six months and must be between the ages of 20 and 65.

Benefits are the same as those suggested in the above plan, but benefits received from State and union funds are to be deducted from those paid by the company.

Summary and conclusions.—It seems that unemployment insurance in European countries where it has had the greatest development, is a relatively unsolved problem. It has not yet been made an object of scientific study and analysis by its exponents, nor has anyone yet succeeded in building up a basis for the application of a real insurance plan involving the determination of risk and the proper allocation of the burden.

Many experiments have been tried, and they have for the most part helped to alleviate misfortune. We have seen in England, four insurance plans in operation—by the Government, by trade unions, by voluntary societies and by individual employers. Without question, a large part of the success met with in England may be directly attributed to the development of trade unions, the existence of labor exchanges, and numberless geographical and industrial factors which, on the whole, give to the problem of unemployment insurance an aspect quite different from that presented in this country.

In the United States there is a growing interest in unemployment insurance among trade unions and employers. As yet little has been accomplished by the unions; their efforts have been sporadic and unorganized so far. Somewhat more successful have been the experiments of such firms as the Delaware and Hudson Railroad; the Dennison Company;[15] and the

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[14] C. H. Northcott, *Political Science Quarterly*, September 1921.

[15] National Industrial Conference Board Bulletin No. 51.

Deering, Milliken and Company.[16] A plan provided through collective bargaining is the Cleveland Ladies' Garment Workers' Plan.

Legislative proposals.—Up to the present there has been no legislation in this country, either Federal or State, aiming to set public insurance in operation against unemployment. However, there has been considerable agitation for such legislation, with the result that several State bills have been proposed. The most prominent of these seems at present to be the Huber Unemployment Insurance Bill which has been before the legislature of the State of Wisconsin twice.

Huber Unemployment Insurance Bill.—A digest of the Huber bill reveals the following provisions as outstanding:

"Includes all employees in the employ of those who employ six or more persons. Exempts farmers, states, cities ,towns, school districts, all private employers of less than six persons, and all non-manual employees whose income is over $1,500.

"Rate of compensation payments:

"Beginning with the fourth day of involuntary unemployment, one dollar for each work day for males and females over the permit age, and 50 cents for those of the permit age is paid qualified persons.

"The bill requires that employers organize a State-wide mutual insurance company. Its primary purpose shall be to prevent unemployment. This Company will organize an efficient business service to assist its employer members in the following capacities:

"1. It will make extended studies into the causes of business irregularities, depressions and unemployment, and will recommend constructive preventive measures.

"2. It will help each individual employer solve his own problems of unemployment and of business instability.

"3. It will organize employment of the seasonal industries so that the worker will lose less time between seasonal jobs.

"4. It will encourage moderate and gradual expansion and discourage unwholesome expansions and booms that lead to unemployment and crisis.

"5. Each member is given an incentive to co-operate in preventing unemployment. The incentive lies in the membership or premium fees that each employer is required to pay into a reserve fund managed by the 'mutual.' The amount of each employer's quota varies with his employment experience for the period. Those who 'lay off' the most pay higher rates. Those who offer steady employment pay less. Thus the incentive acts as a continuous spur to better management and to regulate employment. The periodic premium charges are paid during times of prosperity. It is then that the seeds are sown for reaping their harvest during times of business depression. When industry is unable to offer employment to those willing to work, compensation will be paid to the unemployed from the reserve fund.

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[16] National Industrial Conference Board Bulletin, No. 51.

"The industrial commission may exempt certain employers who do not desire membership in this 'mutual,' upon evidence of financial ability. Seasonal industries will pay premium rates only proportionate to the length of their season.

"Industry shall compensate each working man temporarily unemployed provided:

"1. He has worked six months in the State and

"2. He is capable and available, but unable to obtain suitable employment.

"He is not required to work where there is a strike or lockout, or where the conditions or wages rank below those prevailing in the employment offered.

"3. But compensation shall not be paid in excess of one week of compensation for every four weeks the unemployed worker has been employed in the State. Not more than 13 weeks of compensation shall be paid in a calendar year.

"4. Compensation shall not be paid when unemployment is caused by:

"A. Voluntarily quitting work.

"B. Discharge for misconduct.

"C. Strike or lockout.

"D. Confinement as inmate in State institutions, and so forth."

Aims of unemployment insurance.—Assuming the desirability of unemployment insurance legislation it seems that any plan should aim to accomplish the following major results:

1. It should provide substantial relief. This does not mean that men should receive benefits in amount equal to their regular wages. It does mean that measures which but slightly alleviate the situation, such as the British act and the proposed State acts in this country, will not be countenanced as permanent propositions.

2. It should provide an incentive for the reduction of unemployment. This is essential if the measure is going to be preventive in its nature. Mere relief measures will never suffice to solve the problem.

3. It should set up an organization equipped to enforce the law efficiently and economically. It may be remarked in

passing that the problem of administration is exceedingly difficult and would be especially so in the United States.

4. It should be built around the idea of preparedness. This necessarily calls for the setting aside of funds at regular intervals in order to meet exceptional contingencies which are certain to arise. It eliminates from consideration provisions, such as those in the State acts, calling for contributions only after men are discharged. Such provisions place the heaviest burden on the employer when he is least able to bear it.

5. Employers' contributions should be based upon their individual risks. There is no reason why the owners of a concern operating at full capacity the year round should pay for the idle time of workers employed in another concern which is highly seasonal in its operations.

6. Benefits should be in some relation to wages; the flat rate of benefit is not scientific and should not be adopted, if for no other reason than because it produces different effects on workers of differing wage levels.

7. It should impress upon employers the fact that contributions to the unemployment fund are operating expenses of their business, and are not contingent upon the earning of profits. It is thought desirable to have contributions bear a direct relation to payroll.

8. Contributions should be credited to the accounts of individual employers, and payments made to employees should be charged against those accounts. Provision should be made for the return of funds to employers in case balances accumulate in excessive amounts, to be ascertained by a study of the risk in the particular industry. By this means employers will be induced to reduce unemployment.

For Discussion

1. Formulate a definition of what constitutes unemployment. Do you include in your definition, as suffering from unemployment, those who are out of work because they are unemployable? Is the term "unemployable" an absolute or relative term?

2. Distinguish between irregular employment, under-employment, over-employment, and unemployment. Try to name specific cases in which each might exist.

3. "Industry must be held responsible for unemployability." In what ways does the operation of modern industry cause the worker to become unemployable? Is industry wholly to blame for the fact that some workers are unemployable?

4. "Unemployment creates unemployment." Granted. Explain how.

5. "Wage-earners are not the only ones who suffer in periods of unemployment." Discuss. What other classes, if any, suffer?

6. What relation, if any, exists between unemployment and the entrance of women and children into industry?

7. Is there a relationship between unemployment and sweatshop work?

8. "Revolutionary philosophy finds fertile ground in the minds of those who are willing but can find no work." Is this possible? What of it?

9. In Boston in 1914, men committed petty crimes in order to be put in the workhouse so their wives might draw fifty cents a day from the city. Would it not have been more profitable for the city to employ the men? Why, or why not?

10. What relationship, if any, exists between immigration and unemployment?

11. "Unemployment cannot be discussed apart from wage rates. If workers would accept wage cuts readily, unemployment could be cut down." Reason with this writer. Why do not workers accept wage-cutting more readily in periods of depression?

12. The percentage of unemployment for certain trades during the period of 1904-1913 was 2.1 in Germany, 2.7 in Belgium, 4.7 in the United Kingdom, 7.8 in France, and 15.2 in New York, which is taken as typical of the United States. How do you account for the greater unemployment in the United States?

13. "To the degree that workers are separated from land, unemployment becomes a more serious issue." Why?

14. Would a comprehensive system of industrial training

serve to prevent unemployment, or would it simply increase the competition for jobs requiring higher degrees of skill?

15. With the introduction of the McKay sewing machine for making shoes, one man was able to do as much as 60 who work by hand with the aid of the awl, pincers and strap. Does this mean that 59 workers are added to the ranks of the unemployed? If not, what does it mean?

16. Name some of the common risks of management.

17. In what ways is unemployment related to materialization of the risks of management?

18. "Seasonal and cyclical fluctuations of industry are basic causes of unemployment." Granted. What are the causes of these fluctuations? Are they controllable?

19. Do strikes cause unemployment? Do over-production; under-consumption and wasteful distribution; over-expansion of credit; bankruptcy; fire; flood; managerial incompetence; physical and mental deficiency among workers; tariff policies; unfavorable international relations and war? What factors, if any, would you add to this list?

20. It has been said that a limited pool of unemployed men is necessary to an evolving industrial society. Give content to this statement.

21. What in general can be done to reduce unemployment by (1) employers; (2) the employees; (3) society?

22. "Organized, systematic dovetailing of industries must be part of any comprehensive plan of unemployment prevention." What industries are there which suggest possibilities of dovetailing?

23. "In the field of marketing much can be done to make it possible for production to become more regular." Can you cite any illustrations?

24. It has been said that sentiment and the political influence of employers and foreign-born citizens have prevented a rational immigration policy. Do you agree?

25. What is a rational immigration policy? What factors would have to be considered in order to determine such a policy?

26. What arguments can be made against the practices of private employment agencies when unregulated? Are they interested in stability of employment? May their efforts in part prove wasteful?

27. Why are public employment exchanges necessary to any serious attempt to control unemployment?

28. Why have employers rather commonly condemned the operation of employment exchanges by the Government? Is it because they are necessarily of no value to the business man who employs workmen?

29. Why is charity, as a means of relieving the suffering attending unemployment, commonly condemned?

30. "Workers want employment, not charity." Is this always true?

31. How might the control of credit through perhaps the Federal reserve system play a part in preventing unemployment?

32. That public construction should be put aside until periods of depression, is the suggestion of some students. Why is this not done more commonly?

33. What should any system of unemployment insurance seek to achieve?

34. What should be the basic features of an unemployment insurance act?

35. "Steady work at good wages makes indifferent workers. What is needed is an occasional period of unemployment to bring workers back to their senses." Discuss.

36. "If workers would save in good times a little unemployment in hard times would not be a serious matter." Discuss.

37. "Fear of unemployment makes men work." "Fear of unemployment makes men loaf." Which statement is true?

For Investigation

Hart, Hornell H.: "Fluctuations in Unemployment in Cities of the United States. 1902-1919."

A complete statistical study.

Webb, Sidney, and Beatrice: "Industrial Democracy," revised edition, 1920.
Scholarly observations.

Beveridge, W. H.: "Unemployment: A Problem of Industry."
Published in 1909. Still the standard treatise on the subject.

Cohen: "Insurance Against Unemployment."
Best book on subject suggested by title.

Federated Engineering Societies: "Waste in Industry."
Collection of studies on waste including unemployment.

Douglas, P. H., Hitchcock, C. N. Atkins, W. E.: "The Worker in Modern Economic Society."
A selected group of reading in Chapter XVII.

Report of the President's Conference on Unemployment, 1921.

National Industrial Conference Board: "The Unemployment Problem. 1921."

See also for general discussion: Common's "Trade Unionism and Labor Problems" (second edition); Carlton's "The History and Problems of Organized Labor" (revised edition); Watkins' "Introduction to the Study of Labor Problems."

PART IV

STANDARDS OF LIVING

Every individual has some kind of standard of living. By this standard, consciously or unconsciously, he orders his life and estimates its success or failure. Similarly the community has more or less definite standards formulated as to what is desirable and necessary for individuals to possess and enjoy. We turn, therefore, to a study of the standards of living, starting with a case study of an actual family, just as in Part II we sought concrete working situations before seeking an interpretation.

CHAPTER XIII

STANDARDS OF LIVING: A CASE STUDY

The standards of living of the *E* family.—Mr. *E*, age 36, is a mechanic in a large factory on the "west side" of Chicago. He is married to a childhood playmate now aged 33, and has three children—Helen, aged seven, Robert, aged five, and Julia, aged 15 months. Mr. *E* and his wife have had a common school education and are commonplace people who have no particular abilities or disabilities, but are fairly energetic and thrifty. Until recently they have managed to make a fairly comfortable living. About two years ago they had a fund of several hundred dollars saved up and were hoping to make a first payment on a home in one of the outlying neighborhoods. At that time Mr. *E*'s health began to fail, and in a short time he was compelled to quit work. A local physician told him he had "consumption," and Mr. *E* began to treat his cough with home remedies and patent medicines. Meantime there was no income, and in about five months every resource was exhausted; savings were spent, cheaper quarters found, superfluous furniture sold, credit at neighborhood stores exhausted, sick benefits from the lodge were withdrawn, and expenses trimmed at every point, even to dropping payments on life insurance. In short there was nothing to do but follow the suggestion of an interested neighbor and "appeal to the charities." They were then about $250 in debt.

A short investigation convinced the social worker, who was sent out by the relief society, that immediate and vigorous action was necessary if Mr. *E* was to be cured and his family "rehabilitated." We are not concerned here with the procedure by which Mr. *E* was found to have "pulmonary tuberculosis, moderately advanced" and treatment at a free municipal sanitarium was arranged. We are, however, interested in the methods by which the social worker discovered how much money was needed to meet the needs of the family. Fortunately Mrs. *E* had a household account book in which she had faithfully entered how much she had paid for "meat for Sunday," "shoes for Helen," "carfare for *E*," "movies" and so on. She had classified these in a family expense book which the local bank distributed to its customers. A brief examination of these accounts for a period of several months showed that the family expenses for a month were $160.60.

Their expenditures during Mr. *E*'s illness fell from $160.60 to $114.75 and, inasmuch as there was no income, the budget was met by accumulating debts.

The social worker's estimate of the family's original average of expenditures follows:

Rent (four rooms, stove heat)	$ 35.00
Fuel and light (coal and gas)	7.50
Food	62.25
Clothing	24.00
Household expenses (including upkeep on furniture)	8.20
Carfare	5.00
Health	5.00
Insurance	1.15
Spending money and recreation	4.00
Savings	8.50
Average monthly total expense	$160.60

Mr. *E*'s earnings at 72 cents an hour, including a little extra money he earned at overtime work, had enabled him to meet this budget very easily. During his illness, of course, the standard of living rapidly fell and no organized scheme of expenditures could be found from the household account book. During the last month before they appealed to the charities, the *E*'s had pared their expenses down to absolute necessities: "We barely lived," as Mrs. *E* expressed it.

Their expenditures, when classified as above, were as follows:

Rent	$23.00
Fuel and light	4.50
Food	47.88
Clothing	8.00
Household expenses	3.16
Carfare	.85
Health	12.00
Insurance	0.00
Spending money and recreation	.36
Savings	0.00
Total	$99.75
Value of articles given by neighbors, friends, relatives:	
Food	$ 10.00
Clothing	3.00
Fuel	2.00
Total	$114.75

Since there was no income in wages during this period it is necessary to find out where the $114.75 came from on which Mrs. *E* has said, "We barely lived!" In looking for it we see how the misfortune which the *E* family was experiencing reached out and affected others. Itemized, this $114.75 spent over and above the income can be accounted for in the following manner:

Owe L. L.	$ 23.00
Owe grocer	21.00
Owe doctor	4.00
Loan from brother of *E*	20.00
3 days' work by Mrs. *E*	9.00
Loan from neighbor	3.00
Pawned watch and ring	3.00
Loan from friend	8.00
Sold furniture	8.75
Gifts (established value)	15.00
Total	$114.75

During Mr. *E*'s stay at the sanitarium the relief society made a regular allowance to Mrs. *E* for necessary expenses. The social worker estimated these expenses from a "standard budget" which had been prepared by experts in household administration and home economics. Because of heavy demands upon their funds the relief society felt compelled to reduce the expenses of the family to the lowest possible point consistent with health and decency.

This budget has not been given in detail. It was worked out essentially as the budget next following, making allowances for Mr. *E*'s absence from home, and a reduced standard of living. The actual monthly allowance was $107.25.

When Mr. *E* came home from the sanitarium some eight months later and went back to his work, the worker made a similar estimate to determine whether the family would be fully self-supporting, or would need further assistance. Her figures were approximately those on the following page.

Some changes in the cost of living, particularly increased cost of fuel and clothing, had occurred so that an exact comparison with the budget before Mr. *E*'s illness could not be made, but when the social worker talked over the budget problem in a friendly way with Mrs. *E*, the worker pointed out several changes that she proposed should be made. Among these were:

(1) A better grade of food could be secured with perhaps a slight decrease in cost by purchasing in larger quantities

Item	*Total*	*General F. Exp.*	*Mr. E*	*Mrs. E*	*Helen*	*Robert*	*Julia*
Housing	$ 35.00	$35.00					
Food	59.81		$17.77	$14.30	$10.40	$ 8.67	$ 8.67
Clothing	29.00		9.00	7.50	5.00	3.75	3.75
Fuel and light	8.50	8.50					
Household expenses	5.00	5.00					
Carfare	5.04		3.64	1.40			
Spending money and recreation	2.50		1.00	1.00	.25	.25	
Health	7.00	7.00					
Education	.90	.75			.15		
Insurance	6.25		5.00	1.25			
Savings	10.00	10.00					
Total	$169.00	$66.25	$36.41	$25.45	$15.80	$12.67	$12.42

rather than from day to day, and by patronizing "cash-and-carry" shops; (2) household expenses could be materially reduced by the same plan and by purchasing furniture, when needed, for cash rather than on installments; (3) the worker believed that the family should have a daily and Sunday paper or some good popular magazines; (4) the expenditures for health had been too low previously, dental care in particular being badly needed; (5) the family had too little insurance for safety; (6) some economies should be effected in spending money; and (7) it ought to be possible to increase the savings item a little. The total budget was a little larger than formerly, but Mr. *E* had had a slight increase in wages and could meet it easily.

The social worker made it clear to Mrs. *E* that the budget had been estimated so that a properly balanced diet with high fuel value, serviceable clothing, suitable living quarters, adequate health service, necessary protection against possible loss of the wage-earner could all be secured. Mrs. *E* was very much interested in this plan and agreed to follow it as far as possible, but she saw some difficulties ahead. While she was very willing to practice economies in purchasing and preparing foods, yet Mr. *E* was "a little cranky about his food," there were many of the cheaper articles which he would not eat and some rather expensive dishes he insisted on having. Again, it would be difficult to quit the neighborhood grocer, who had given them much credit, and had not yet been paid; besides, he was regarded as an old family friend. The increased expenditures for reading matter and health Mrs. *E* approved, also those for insurance and savings. However, it would not be easy to cut down on either household expenses or on Mr. *E*'s spending money. The family had decided to buy a phonograph on installments at the earliest possible moment. All their friends had them and they always felt embarrassed when company called because they lacked this means for entertainment. Mr. *E*, she said, had some "weaknesses," among them a pronounced habit for tobacco, and though he tried several times to break himself of the habit, was unable to do so. In fact, he became so irritable that Mrs. *E* begged him to begin using it again.

Mrs. *E* confided to the worker that their income had never been large enough to meet their real needs though they had succeeded in living within it and saving a little. Neither she nor Mr. *E* had "aspirations beyond their station in life," but they both thought that their present living quarters were inadequate, that they needed several new pieces of parlor furniture and some really nice clothing. They would like to go to church more often and to make more friends and also to join one or two neighborhood organizations. Mr. *E* in particular was anxious to join a popular fraternal order to which many of the men at the shop belonged. They felt debarred from these relations now because they could not afford suitable clothing and proper home furnishings. For her part she had always wanted to go to the opera and see what it was like, and she wanted to send her washing to the "wet wash." Mr. *E* had had the promise of a foreman's job before he became ill, with an increase of pay. He and his wife had thought then that they would be able to have everything they wished. In fact they had worked out a tentative monthly budget. Mrs. *E* was reluctant to show this "ideal" budget since they "weren't in the habit of counting too much on the future." The estimate was:

Rent (5 rooms, steam heat)	$ 60.00
Fuel and light (gas and electricity)	5.00
Food	65.00
Clothing	32.00
Household expenses	12.00
Carfare	6.00
Health	5.00
Insurance	3.00
Organization and church dues	5.00
Spending money and recreation	15.00
Savings (including $30 monthly to buy a home)	42.00
Total	$250.00

There are then several different methods by which we might arrive at the "standard of living" for the *E* family:

1. We know how they actually spent their earnings at a time when the family was economically independent.
2. We have the expenditures for a period when the family was barely subsisting and could secure only the actual necessities of life.
3. We have the estimated budget which a professional social worker made for this family in order for it to maintain its industrial efficiency and its health and wholesomeness. (It is evident that this is a budget which is estimated from a viewpoint not wholly appreciated by the family. It is not something they would have worked out.)
4. We have the estimate which the family made of what it would cost them to live what they regarded as an ideal life for people of their social level.

Gathering these together in a table summarizing all four methods we secure the following results:

	I	II	III	IV
	Usual family expenditures	*Expenditures on "subsistence level"*	*"Scientific" Budget*	*The Family "Ideal"*
Rent	$ 35.00	$ 23.00	$ 35.00	$ 60.00
Fuel and light	7.50	6.50	8.50	5.00
Food	62.25	57.88	59.81	65.00
Clothing	24.00	11.00	29.00	32.00
Household expenses	8.20	3.16	5.00	12.00
Carfare	5.00	.85	5.04	6.00
Health	5.00	12.00	7.00	5.00
Insurance	1.15	......	6.25	3.00
Spending money and recreation	4.00	.36	2.50	15.00
Education	....	......	.90	.....
Organization and church dues	....	......	......	5.00
Savings	8.50	......	10.00	42.00
Total	$160.60	$114.75	$169.00	$250.00

For Discussion

1. A standard of living may be measured in a number of ways: (1) by actual observation of what workers are earning and actually living upon; (2) by what workers consider necessary to desirable human experiences; (3) by what others than the individuals concerned feel is necessary and desirable from the standpoint of social welfare. Would you add other points of view to this list?

2. Some writers take the point of view that a standard of living is what people actually do live upon, how much they actually spend. Of what value is such a point of view? The standard of living of the *E* family measured in this way cost $114.75 in one month.

3. "The workers could manage with less than they have today if they had to." Discuss. Does this suggest a method of measuring standards of living that is not included in question 1? Can you illustrate this idea with evidence taken from the case given in this chapter?

4. 'If the *E* family were lately arrived immigrants and Mr. *E* an unskilled worker, the family would have not needed the income the social worker found necessary." Do you agree? What determines the budget total which the social worker draws up?

5. Canvass from memory the families you are acquainted with, and try to find out how nearly the burden upon the father corresponds to that which Mr. *E* has in the case cited in this chapter, to support a wife and three dependent children.

6. It is sometimes said that although the cases wherein the father is called upon to support a wife and three dependent children are not the rule, some time during married life the father is likely to meet that problem. Why?

7. When did the *E* family appeal to the charities? Why hadn't the family saved more while the health of the father was good? If there exist charities which can be appealed to, does not this fact make our working population just so much less careful of the future?

8. State how this case illustrates the expression, "The basis of all intelligent control is facts."

9. The month the family spent $114.75 Mrs. *E* says, "We barely lived." What does she mean? Are there not many families of five in the world who would think themselves fortunate to have as much as $114.75 to live upon each month?

10. Where did the $114.75 come from which the family spent, the last month before it appealed to the charities?

11. "The cost of impaired standards of living cannot be avoided." Give content to this statement.

12. "Health and decency" were supposed to be assured by the budget worked out by the social service worker in our case. What does "health and decency" mean? If the social service worker were asked to work out a similar standard for a Chinese laundry worker, would "health and decency" involve setting a plane of living as high as that of the *E* family?

13. Granted that a worker is assured an income sufficient to keep him in a state of health and decency, who is to see that he spends his money wisely and thus attains the standard which his money income should assure?

14. Turn to the budget upon page 274. Criticize it. Why assign a greater clothing allowance to the husband than to the wife? Why $10 for saving? Why $7 for health? Is it not too much? How much insurance should be taken out upon the father's life? Why any insurance upon the mother's life? What items would be included in household expenses?

15. Of what significance in formulating budgets is such a representative incident as Mr. *E* being "a little cranky about food"? Does the fact that each individual has a range of values all his own make impossible the developing of standard budgets?

16. Should a proper budget for the *E* family include an allowance for tobacco? Should budgets for workingmen include this as an item in a "health and decency" budget? Why? or why not?

17. Mrs. *E* explains that neither she nor Mr. *E* has aspirations beyond their station in life. What does she mean?

18. What function does the aspiration for higher standards of living play in industrial society?

19. Turn to the "ideal" budget on page 275 which was drawn up by Mrs. *E*. Does this represent what all workers would consider an ideal? May it be beyond the ideals of many?

20. From the facts in this case how might it be argued that impaired standards of living tend to affect the growth in population?

21. Are the present money needs of the *E* family similar to what they will be a year from now? Five years from now? Fifteen years from now? Why not?

22. Would the money needs of the family be the same if Mr. *E* and his family lived in a small country town?

23. How may changes in the cost of living be sources of unrest?

24. What relationship, if any, may exist between unionism and the problem of standards of living which the worker faces?

25. What relationship is there, if any, between standards of living and unemployment, sickness, accidents, and the various insecurities of the worker in modern industrial society?

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CHAPTER XIV

BUDGETARY STUDIES

Having considered a specific situation, we can now safely turn to the consideration of definitions of standards of living. When we do this we discover that, like all living ideas, the term "standard of living" has called forth a variety of ideas:

1. Streightoff says, "The standard of living, as the expression is most commonly understood, consists simply of what men actually enjoy."
2. Others narrow the definition down to include the number of desires which man prefers to marriage and family.
3. Still others consider the standard of living in terms of the ideal or aspirations of the particular individual.
4. A prominent position in modern discussion is given to the conception of standards of living as what is desirable for groups of people in society.

It will be observed that the position taken by Streightoff emphasizes facts. Examining standards of living from this point of view, the student is concerned with objectivity. All personal comments and conclusions are avoided. An attempt is made to take a photograph of conditions that are actually existing.

The plane of living.—Proceeding upon this basis, many studies have been made of the actual working and living conditions of our workers. Such a study was made by Miss Margaret Stecker for the employers' agency, the National Industrial Conference Board, in a large number of industrial towns in the East, the middle West, and the South.

In contrast to studies seeking to set forth recommendations of what is necessary or desirable, this study pictures the plane of particular work communities. For Fall River, Massachusetts, we read:

"The ordinary tenement in Fall River contains from three to six rooms with toilet. The majority of wage-earners do not have a bath. $2.25 a week or $117 a year for four rooms and toilet may be set as a minimum figure for housing a family of five in Fall River, according

> to existing conditions. $3.50 a week or $182 a year will secure somewhat better accommodations."

For the Carolina towns:

> "Company houses * * * are one story high, built of wood on brick piers * * * most of them are ceiled inside. They are heated by coal grates and lighted by electricity * * * Few mill houses are plastered, which, added to the fact that they are built without cellars, makes them very difficult to heat * * * There are no bath-rooms and few as yet have toilets or running water inside the house * * * Yearly rents * * * (averaged) $45 for a four-room cottage."

In Detroit:

> "The typical house in Detroit is a small cottage or a two-family house. The cottages usually contain five rooms and * * * a bathroom * * * Many houses, however, were constructed very quickly in war time, and were built * * * without basements * * * $35 a month (or $420 a year) is considered the minimum amount which should be allowed for housing an American family living at a minimum standard in Detroit in September, 1921 * * * Such a cottage or flat would probably be heated by stoves rather than by furnace, but would have a bathroom, gas and electricity."

Population and standards of living.—The definition given by those who stress choice between want-satisfaction and marriage and family is open to criticism because it does not make allowances for the progressive aspect of one's scheme of life. What these writers fail to recognize is that home and family result usually after the individual's plans have been made, and he has shifted emphasis upon his ideals, seeking satisfaction indirectly through his offspring, rather than directly as before. The definition is suggestive, however, to the extent that it indicates the effect of standards upon family life. Moreover, the birth-rate is an indicator of success or stress. When people are under pressure it is usually the tendency to limit families in order to increase the proportion of income for each member of the family, except in the cases of desperate poverty where the attitude is one of hopelessness and indifference. During the last century the reproductive desires have been held, relatively, in check. They are no longer taken for granted, but are studied and analyzed, and the resulting information about them is applied. Today, therefore, birth-control has replaced the helpless acceptance of increased numbers of former days.

The population phenomena.—Various explanations of population phenomena have been offered. Malthus stressed the antagonism between the desire to live and the desire to procreate as effective in determining the birth-rate. According to him, the procreative instinct results in a growth of population far in excess of the increase of means of subsistence. When population becomes too numerous it presses on the food supply until famine and disease reduce numbers and relieve the pressure. Spencer, on the other hand, emphasized the antagonism between intellectual activity and reproduction. Increased mental development reduces fecundity. The more education individuals receive the less fertile they become, and the lower is their birth-rate.

The "superior" classes whose increase is comparatively small, is considered to include individuals having such physical, mental and moral traits as make for social welfare. Studies since the time of Malthus and Spencer set forth several reasons for the decline, including the theory that the human race passes through a cycle of fertility and sterility, the latter condition existing at present. Yet, the most apparent reason for the differential birth-rate seems to lie with the individual's command or lack of economic goods. Lack of means results in restriction of numbers, except in the case of extreme poverty. Veblen has illustrated this struggle by considering the position of the scholarly:

> "Classes given to scholarly pursuits are by convention placed in a higher social grade than their pecuniary grade warrants. The scholarly are thrown into contact with those of pecuniary superiority. Consequently, expenditure for the conventional requirements leaves this group a narrow margin for the other ends of life. A low birth-rate is one direct result of this conventional requirement. The conspicuous consumption and the consequent increased expense, required in the reputable maintenance of a child is very considerable, and acts as a powerful deterrent. It is probably the most effectual of the Malthusian prudential checks."

This explanation, whether a complete answer or not, reconciles itself with the seeming fact that standards of living and population are definitely related phenomena.

Aspirational standards of living.—The third definition of standards works out largely in a subjective way. The ideal suggested by such a definition is the ideal or hope of the worker, and covers everything from daily life accomplishments to "castles in Spain." It is the motive factor in life. It accounts for much unrest, much of the conflict, much of the discord between social groups. After all, one's lot in life is satisfactory if what one really has, measures up with the idea of what one would like to have; and blocked desires, as we have seen before, have social significance.

Like any subjective thing, a standard looked at from this point of view becomes an elusive though real thing. Workers in parts of China may be content with little but rice; workers in parts of the United States may insist upon white bread, beef steaks and butter. Denied these they express indignation, unrest mounts, and threats are heard. Commonly, however, it is not in the satisfaction of the fundamental wants that there is great difference among workers in the United States. Everyone, for example, regardless of social or economic status, has about the same food capacity. Different people may consume different kinds of food, more expensive sorts, or more elaborately prepared meals, but they all eat practically the same amount. The most obvious differences are apparent in such matters as dress, education, housing and recreation; and these differences act and react upon those who have, and upon those who have not.

The progress of civilization; the individuality of man with his own more or less rational concept of what is essential to his maintenance; the past income and purchasing power which figures conspicuously in the determination of what people are accustomed to; and the environment into which people are flung tend to determine the direction and totals of their wants. ~~It is a characteristic which distinguishes man from the lower animals that when he has once~~ broken through the circle of the more ~~elementary desires and satisfactions~~, he is by nature progressive and incapable of permanent satisfaction. Workers', like other ~~people's standards~~, tend to mount. They want more and more and more. Their ideals are dynamic.

Desirable standards of living.—Finally, the definition of standards of living in terms of what is desirable suffers from the fact that in formulating such a standard, it is necessary for one person to project himself into another's plan of life or mode of living. The norm or recommended ideas which are basic to this conception of standards of living are largely evolved as the result of life experience and prejudice of the person who formulates the standards. Yet, suffering though it does from such limitations, this standard of living has attracted great attention of late years, and has been instrumental in focusing public attention upon living conditions among working classes.

Budgetary norms.—In working out conceptions aimed at stressing what is desirable, certain assumptions have been commonly made. These assumptions are that the family group should be used as the basis of working out computations, and the family of standard size is that of five persons, father, mother, and three dependent children under fourteen years of age. In working out standards of living for women, it has been assumed that the woman wage-earner must be self-supporting; and hence the totals have been built on the cost of living independently under boarding house conditions. For men in some cases the single estate has been assumed in making studies with a provision for some saving for the future. In a few cases the cost of living for women has been assessed at a level which constitutes self-support within a family group.[1]

Courtesy of the California Commission of Immigration and Housing

A Shack Area, Showing What a Low Standard of Living in Housing Means

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[1] It is apparent, of course, that the money cost of any standard of living varies (a) from time to time (b) between sections of the country (c) between town and country, and (d) between cities of the same size within the same area.

Kennedy's Budget, 1910.—One of the early noteworthy studies in standards of living was made in 1909-1910 under the supervision of J. C. Kennedy for the stock-yards district in Chicago. His idea was to get a representative picture of the actual standard, or plane of living, as far as possible. The method of procedure and the results will be evident from the following:

"Nine-tenths of the people living in this district are of foreign birth or parentage, the Polish and Lithuanian colonies being especially large. In gathering our budgets, 184 in all, we have taken this fact into consideration, and have chosen our families in about the same relative proportions as the prevailing nationalities.

"First of all, it may be well to state what the families of five actually spent. Then by analysis of their expenditures we may be able to ascertain what such a family would need to spend in order to live efficiently.

"Altogether, there were 34 families of five members having an average income of $801.49, with an average expenditure of $748.88. Eight of the families had deficits averaging $47.25. In practically every case where the family income went below $600 there was a deficit. *This does not mean, however, that a family of five can live on $600 a year.* They may exist on that amount for a time, but they cannot live on it. The least misfortune will plunge them into debt, and sooner or later they will become dependent on charity.

"We submit below a list of expenditures based on analysis of the family accounts which we collected, which we believe constitutes the minimum below which a family cannot go for any length of time in the stockyards district without lowering its vitality and cutting off the possibilities of future development.

Rent	$120.00—$10 per month for 4 sanitary rooms.
Heat and light	36.00—An average of $3 per month.
Bread and baked goods	72.00—20 cents per day.
Butter	20.28—1½ lbs. per week, at 26 cents per lb.
Lard	3.90—½ lb. per week, at 15 cents per lb.
Cheese	10.40—1 lb. per week, at 20 cents per lb.
Eggs	19.50—1½ doz. per week, at 25 cents per doz.
Milk	43.80—1½ qts. per day, at 8 cents per qt.
Sugar	9.18—3 lbs. per week, at 6 cents per lb.
Meat	87.60—1½ lbs. per day, at 16 cents per lb.
Fish	11.96—1½ lbs. per week, at 15 cents per lb.
Vegetables	36.50—10 cents per day.
Fruit	26.00—50 cents per week.
Cereals	7.80—15 cents per week.
Pickles, peppers, spices, etc.	5.20—10 cents per week.
Coffee, tea, etc	13.00—25 cents per week.
	$523.12—Total for rent, heat and foodstuffs.

Clothing, father	$ 30.00	1 suit clothes, working-clothes, shirts, underwear, shoes and sundries.
Clothing, mother	30.00	Includes dresses, coats, winter garments, shoes, hats, etc.
Clothing, children	40.00	
Carfare	10.40	20 cents per week.
Education	15.00	Includes children's books and newspapers.
Laundry	5.20	10 cents per week.
Soap, starch, etc	13.00	25 cents per week.
Furniture and furnishings	22.00	Includes household utensils, brooms, etc.
Insurance	24.50	Husband, 15 cents weekly; wife and 3 children each 5 cents per week.
Health	10.00	Includes all doctors' bills and medicines.
Societies and trade unions	10.40	20 cents per week.
	$210.50	
	523.12	
	$733.62	

"The above list includes no expenditures for church, which are made by at least nine-tenths of the families in this district; no expenditures for alcoholic liquors, which were made by all but one of the families studied; no expenditures for tobacco, barber bills, recreation, Christmas presents, ice cream and candy, and a number of other items which are found in the budget of every family in this district that can afford it. Moreover, no allowance is made for the extraordinary expenses occasioned by birth, deaths, moving, etc., which must be met sooner or later by every family. *If we allow $66.38 per year to cover all these items, the necessary minimum expenditures for each family of five would be $800.* We believe that no family of five can live decently and efficiently in the stockyards district on less than this amount.

"It will be noted that rather liberal amounts were allowed in our list for milk, cheese and eggs. On the other hand, the allowance for meat was put at a much lower figure than the amounts now spent by the average family in the district. We believe that more nutriment can be obtained by spending the money in this way than otherwise. However, even with the most intelligent expenditure of money and the most economical management of the household, it would be impossible for a family of five to live on less than $800 a year."

Since Kennedy's study the subject of standards of living has received increasing attention. Gradually standards are being evolved and, although agreement between various people is yet to be attained, it is possible at the present time to frame definitions and assess the money cost of various standards in terms fairly acceptable to most students. Dorothy Douglas, a careful student of the problem, has summarized current ideas in the following extract:[2]

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[2] See Douglas, Hitchcock and Atkins, "The Worker in Modern Economic Society," chapter IX, for a more detailed discussion of the subject.

"1. **The poverty level.**—The poverty level is a level at which the income, even though expended with ordinary prudence, is insufficient under modern conditions for even the physical upkeep of a family of moderate size.

"2. **The minimum of subsistence level.**—At this level the income is sufficient for complete physical and material upkeep of a bare kind, but insufficient either for major emergencies or for any social pleasures that cost money. In practice, families living at this level will have the social pleasures anyway, and are probably somewhat undernourished and pretty surely a good deal overcrowded. They form the upper fringe of Rowntree's food-deficit group (attaining adequate bulk but not necessarily adequate fuel-value in their dietary), and live in three or at the most in four rooms in unimproved houses, or if they occupy larger quarters, take in boarders. Their expenditures for all 'sundries' (that is, all items other than food, rent, fuel, and clothing) will stay well below 20 per cent of the total, and their expenditures for food about 40 per cent.

"Characteristics:

Fuel-gathering ceases, at least as a major source of supply.

The use of cast-off clothing ceases, at least as a major source of supply.

The wife's clothing budget rises to about 75 per cent of her husband's.

To this might be added, a family of five occupies at least three rooms.

"At the present time in American cities, families living on from $1100 to $1400 would be at a 'subsistence' level.

"3. **The subsistence-plus ('minimum health and decency') level.**—This is the level which nearly all of the earlier American students of the cost-of-living problem attempted to describe. It allows explicitly for not only the physical but the elementary social necessities. In order to have some recreation, some paid medical attention, carfare, insurance, and so forth, a family living at this level need not 'take it out of the food,' out of the mother's clothing, or even out of the rent. Indeed the improvement in housing conditions is perhaps the simplest single index of the family's easier circumstances.

"At present (Autumn, 1922) prices such as a 'subsistence-plus' level of living in American cities, would cost about $1500 to $1700. The expenses would be allocated about as follows:

Food	$10 to $11 a week	$550	about 35 per cent of total
Clothing	Man $80 Wife 75 Children 35 45 55	$290	about 18 per cent of total
Housing	$20 to $25 a month	$325	about 20 per cent of total
Fuel and light		$ 85	about 5 per cent of total
All other		$350	about 22 per cent of total

"**4. The comfort level.**—This is the level that has come to public attention since the War. It represents the attainment of the highest class of wage-earners and the cynosure of the rest. While the national income at present undoubtedly does not allow of a general raising of working-class standards to anything like this level, it is of interest as showing the justifiable requirements of a superior group in the labor world.

"At the comfort level, the expenditures for food will not rise very much, the large increase being taken up almost entirely by clothing, housing, and especially 'sundries.' The proportion spent for sundries increases in about the same ratio as the proportion spent for food decreases. Indeed a fairly good criterion of the point at which the 'subsistence-plus' level is passed and the 'comfort' level begins, would be the point where the expenditures for sundries passes the 25 per cent mark. (This may be taken as analogous to the sudden increase in rent that usually marks the transition from a 'subsistence' to a 'subsistence-plus' level.)

"At present prices, the total cost of a "comfort" budget would run about $2000, and the principal budget items would be ranged about as follows:

Food (about $11 a week)			$575—about 29 per cent of the total
Clothing	Man	$100	350—about 17–18 per cent of the total
	Wife	100	
	Children	40 50 60	
Housing (about $30-35 a month)			400—about 20 per cent of the total
Fuel and light			125—about 6 per cent of the total
All other			550—about 28 per cent of the total

It should be noted that with a change from one budget level to another, the various percentages spent for different items change perceptibly. For example, Ogburn in 1918 worked out a "minimum" standard which was supposed to cost somewhat less than $1400, and a "comfort" standard which cost about $1700. The percentages varied as follows:

	Subsistence Budget	*Comfort Budget*
Food	44.4%	35.5%
Shelter	13.0%	12.5%
Fuel and Light	4.4%	4.2%
Clothing	16.9%	17.8%
Sundries	21.3%	30.0%
	100.0%	100.0%

The differences in percentages in these two budgets takes into account the acceleration or spreading out of the standard of living, which involves a change in the rate of consumption.

Age, experience, and environment affect the rate of acceleration; those who start to progress at different ages and under different conditions reach different ends. Yet the observations on consumption which were worked out by Engel, a German economist, have been substantially verified by studies in the United States. Engel formulated the following laws on income and expenditure which have come to be known as "Engel's Laws":

"1. As the income of a family increases, a smaller percentage of it is expended for food.

"2. As the income of a family increases, the percentage of expenditures for clothing remains approximately the same.

"3. With all the incomes investigated, the percentage of expenditures for rent, fuel, and light remains invariably the same.

"4. As the income increases in amount a constantly increasing percentage is expended for education, health, recreation, amusements, and so forth."

For Discussion

1. Explain what is meant by the term "a standard of living."

2. Some writers stress the relationship between standards of living and the growth of population. Just what is this relationship, if any exists?

3. "The poor have the large families; the well-to-do have the small families." Is this always true? Is it commonly true? Are standards of living any explanation of the degree to which it is true?

4. Could there be any relationship between immigration and the decreasing size of American families?

5. Why is the plane of living of American workingmen, on the whole, higher than that of the workingmen of European and Oriental countries?

6. Granted that the American workingman has a comparatively higher plane of living, why is he not content with it?

7. "It isn't what people have that constitutes the big industrial problems; it is what they have not." What does the writer of this statement mean?

8. "Wages and the price level are the main determinants of the plane of living of the working population and the worker has little control over either." Criticize.

9. What determines what people want? Do wants arise from habit, custom, or the desire to imitate? Can you cite examples?

10. Do all workers want the same thing? Are they all seeking for similar standards of living?

11. "A standard of living is essentially a progressive thing." Reread question 8 and attempt to indicate what point of view the writer has in mind in commenting as he does upon standards of living.

12. What determines what workers aspire to include in their plane of living?

13. "The exercise of frugality would immeasurably increase the plane of living of the American family." Discuss.

14. "If workers did not spend their money foolishly they would not need increased wages; the question of the plane of living is not a question of wages but of education and common sense." Discuss.

15. What relationship, if any, exists between the standards workers deem necessary to desirable human experience and what we call progress?

16. "The budgets of social reformers are what social reformers would deem necessary to their existence if they were 'workers,' but they're not." What does this suggest to you?

17. Just what is meant by the statement that the various budgets, such as the "minimum of subsistence" and "health and decency budgets," are subjective in nature?

18. If you were asked to draw up a family budget that would provide for "health and decency" how would you proceed?

19. Make a list of the outstanding items concerning which you would gather information in drawing up any budget.

20. "A budget drawn up for another family can never be scientific; no individual can perform the task and be wholly objective." Granted. Does this mean that it is impossible to hope that a somewhat common agreement in regard to budgets may not be achieved?

21. What reasons can be given for building budgets upon the assumption that the principal wage-earner is the sole support of a wife and three children 14 years of age and under?

22. Poverty tends to appear in the life cycle of the individual (a) during childhood; (b) in early middle life; and (c) in old age. How do you account for these facts?

23. Review the budget of J. C. Kennedy, drawn up for the purpose of establishing a minimum standard of living for workers in the stockyard district of Chicago in 1909-10. Of what value is such a study?

24. How do you account for the fact that as the standard of living rises the percentage of the income spent for food decreases? What items tend to increase substantially as the income rises?

25. Review Miss Stecker's studies quoted in part on page 280. When Miss Stecker speaks of a standard of living in connection with this study, in what sense is she using the term? Does it follow that if people are living as she describes, their standard of living is a desirable one, or that it is inevitable?

26. In connection with a minimum wage for women, should it be assumed that the woman worker is wholly dependent upon her own salary, or that her wage is simply a supplement to the family income?

27. Explain the content of the following terms: (a) the poverty level; (b) the minimum of subsistence level; (c) the subsistence-plus "minimum health and decency" level; and (d) the comfort level. What are Engel's laws?

For Investigation

Bureau of Applied Economics, Washington, D. C., "Standards of Living," revised edition, 1920.
A compendium of budgetary studies.

Comish, N. H.: "The Standard of Living."
Study of motive and standard of consumption with commercial aspects illustrated.

Kittredge, Dorothea, and Meeker, Royal: "Analysis of Some Effects of Increased Cost of Living on Family Budgets,"
United States Bureau of Labor Statistics, *Monthly Labor Review*, June, 1920.

Streightoff, F. H.: "Standard of Living among the Industrial People of America."
An early study of the plane of living of American workers.

CHAPTER XV

WEALTH AND INCOME

One of the outstanding facts of the past 25 years has been a fluctuating and rather decided tendency toward rising prices. The United States Bureau of Labor Statistics has worked out index numbers of the price changes as they have been reflected in the retail price of the most important articles of food. The results are as follows:

Index Numbers of Changes in the Retail Prices of the Principal Articles of Food in the United States, 1907-23[1]

1907	82	1913	100	1919	186
1908	84	1914	102	1920	203
1909	89	1915	101	1921	153
1910	93	1916	114	1922	142
1911	92	1917	146	1923	146
1912	98	1918	168		

Expressing this and other fluctuations in prices in terms of a given budget, it will be found that a standard of living which required $1,000 in December, 1913, called for $1,732 in December, 1923.

Item of Expenditure	*December, 1913*		*Approximate Per cent of Increase Cost December, 1913, to December, 1923*	*December, 1923*	
	Amount Expended	*Per cent of Total Expenditure*		*Amount Necessary to Expend to Meet Increased Cost*	*Per cent of Total Expenditure*
Food	$ 380	38	50	$ 570	32.9
Clothing	170	17	79	301	17.3
Rent	140	14	66	234	13.5
Fuel and Light	50	5	84	92	5.3
Furniture	50	5	122	111	6.5
Miscellaneous	210	21	102	424	24.5
Total	$1,000	100.0	73	$1,732	100.0

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[1] U. S. Bureau of Labor Statistics.

Income.—But what of income? A study made by the National Bureau of Economic Research reveals both an increase in dollars and an increase in income when measured on the 1913 price level as the base for the period 1909–1918:

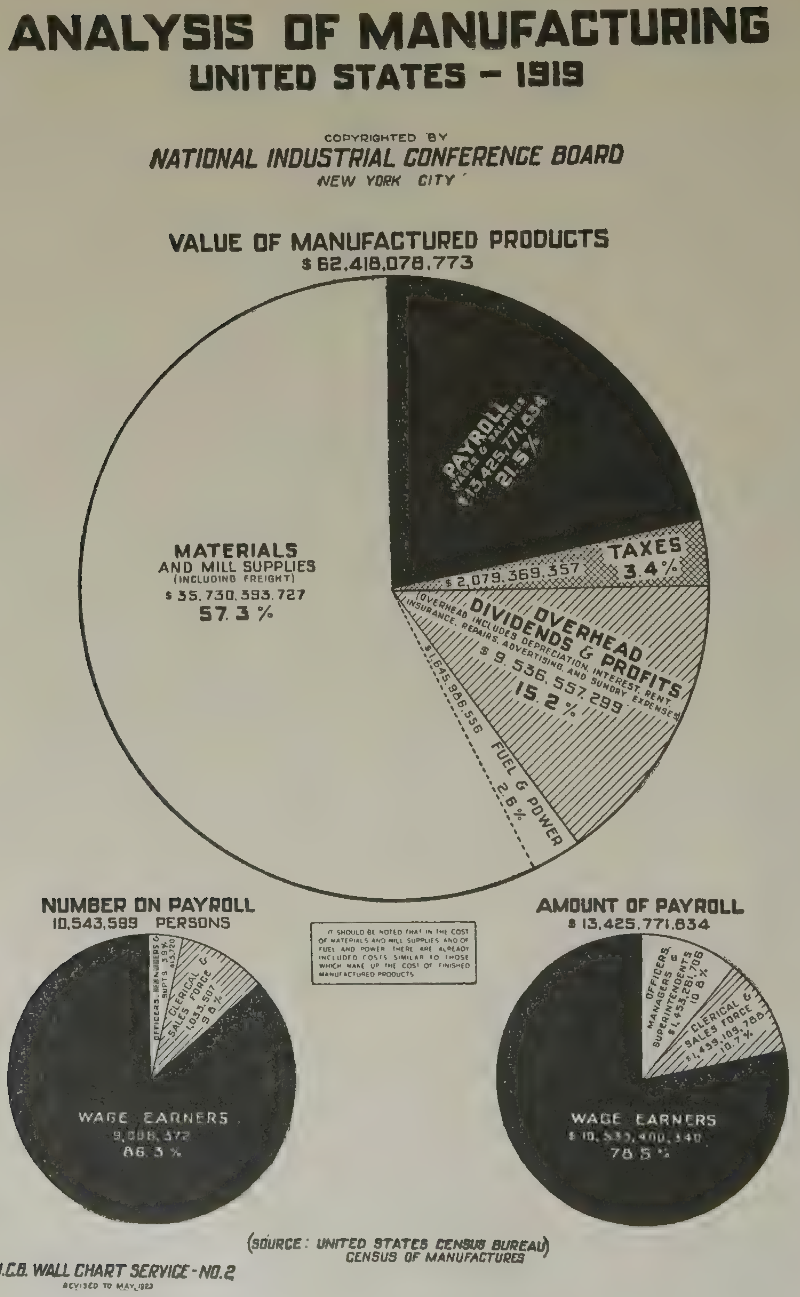
Year	*Per Capita Income in Dollars*	*Per Capita Income in Dollars (in terms of 1913 price level)*
1909	319	333
1910	340	349
1911	333	338
1912	346	348
1913	354	354
1914	335	333
1915	358	350
1916	446	400
1917	523	396
1918	586	372

Dividing the national income.—Some idea of the proportions of the national income which went to various factors in production is indicated by the same study in the following table:

Year	Millions of Dollars		Per cent	
	Wages and Salaries	*Management and Property*	*Wages and Salaries*	*Management and Property*
1909	$ 6,481	$2,950	68.7	31.3
1910	7,156	3,250	68.8	31.2
1911	7,287	2,791	72.3	27.7
1912	7,993	3,169	71.6	28.4
1913	8,651	3,359	72.0	28.0
1914	7,947	2,816	73.8	26.2
1915	8,722	3.470	71.5	28.5
1916	11,630	5,810	66.7	33.3
1917	14,375	6,502	68.9	31.1
1918	17,472	5,124	77.3	22.7

This table at best is but an approximation, but it indicates that wages and salaries, the share of hired wage-earners, took from two-thirds to three-quarters of the total net product of industry; and that property and management took from one-third to one-quarter during the period 1909-1918.

Trend of wages.—One of the most comprehensive studies of the trend of wages in recent times is that made by Douglas and Lambertson who produced the table shown on page 295, indicating trend of hours per week, wages per week, full-time weekly earnings, and retail food prices from 1890-1918.



Courtesy of the National Industrial Conference Board.

Index of Real Wages 1890–1918[2]

				Purchasing power, measured by retail prices of food:	
Year	*Wages per Hour*	*Full-time Weekly Wages*	*Retail Food Prices*	*Wages per Hour*	*Full-time Weekly Earnings*
1890.........	99.4	100.3	101.9	97.5	98.4
1891.........	99.3	100.1	103.4	96.0	96.8
1892.........	100.1	100.9	101.6	98.5	99.3
1893.........	101.1	101.4	104.1	97.1	97.5
1894.........	98.0	97.9	99.2	98.8	98.7
1895.........	98.2	98.3	97.1	101.1	101.2
1896.........	100.2	99.9	95.2	105.3	104.6
1897.........	100.2	99.7	96.7	103.6	103.2
1898.........	100.9	100.2	99.7	101.2	100.5
1899.........	102.4	101.1	100.8	101.6	100.3
1900.........	106.8	104.6	103.0	103.7	101.6
1901.........	108.7	105.9	108.5	100.1	97.6
1902.........	112.9	109.0	114.6	98.5	95.1
1903.........	117.2	112.1	114.7	102.2	97.6
1904.........	118.2	112.6	116.2	101.7	96.9
1905.........	120.0	114.4	116.4	103.1	98.3
1906.........	125.1	118.6	120.3	103.9	98.6
1907.........	131.2	123.7	125.9	104.2	98.2
1908.........	131.6	123.1	130.1	101.2	94.6
1909.........	133.4	124.4	137.3	97.2	90.7
1910.........	137.0	126.5	144.1	95.1	87.8
1911.........	139.8	128.9	143.0	97.8	90.1
1912.........	145.9	132.6	154.2	94.6	85.9
1913.........	149.6	135.2	155.7	96.1	86.8
1914.........	153.1	137.9	158.5	96.5	87.0
1915.........	152.5	135.5	156.5	97.5	86.6
1916.........	164.5	144.8	177.6	92.6	80.8
1917.........	167.0	146.9	233.4	71.6	64.0
1918.........	211.3	187.7	266.6	79.3	70.4

The writers point out that the table demonstrates:

"1. The purchasing power of an hour's wages was 20.7 per cent less in 1918 than it had been during the years 1890–1899, and that the purchasing power of full-time weekly earnings was 29.6 per cent less than during this period.

"2. This great decrease was concentrated almost wholly in two periods: (a) the years 1907–1912, (b) the years 1916–1917.

"3. During the period 1907–1912, wages per hour increased from 131.2 to 145.9 or 11.0 per cent, yet from 1913 to 1918 they increased from 149.6 to 211.3 or 41 per cent.

"4. During the years 1907–1912 full-time weekly earnings rose from

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[2] Adapted from Paul H. Douglas and Frances Lambertson, "The Movement of Real Wages," *American Economic Review*, September, 1921.

123.7 to 132.6 or seven per cent, while in the period 1913–1918 they increased from 135.2 to 187.7 or 38 per cent.

"5. During the period 1917–1912 retail food prices rose from 125.9 to 154.2 or 22 per cent, while during the years 1913–1918 they increased from 155.7 to 266.6 or 71 per cent.

"6. In the years 1907–1912 the purchasing power of hourly wages as measured by retail food prices decreased from 104.2 to 94.6 or nine per cent, while from 1913 to 1918 the decrease was from 96.1 to 79.3 or a drop of 17 per cent.

"7. In the years 1907–1912 the purchasing power of full-time weekly earnings decreased from 98.2 to 85.9 or 13 per cent, while from 1913 to 1918 they fell from 86.8 to 70.4 or a decrease of 19 per cent.

"8. From 1912 to 1916 money wages not only held their own but indeed gained slightly upon prices, but the sudden upward movement of prices in 1916 was accompanied by only a slight increase in wage rates and the result was that in two years the purchasing power of hourly wages declined 27.1 per cent and the purchasing power of full-time weekly earnings 26 per cent.

"9. Money wages began to gain upon prices in 1918 and therefore real wages rose in that year over their low-water mark of 1917.

"All the evidence seems to indicate that at the termination of the Great War the return in commodities which the American workman received for an equal length of time worked (one hour) was from 10 to 20 per cent less than it was in the decade 1890–1899, and from 7 to 17 per cent less than it was before the sharp upward movement of prices in 1916. The purchasing power of the established week's work, moreover, was from 20 to 30 per cent less than in the nineties and from 10 to 20 per cent less than in 1915.[3]"

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[3] The following qualifications should be noted:

(a) Retail food prices are used as an index of the cost of living. As Douglas and Lambertson admit, this is a highly inaccurate index and exaggerates the rise in prices.

(b) The results are due primarily to the lag in wages in 1916 and 1917. Wages always lag in periods of rising prices. Were 1923 taken instead of 1918, and were food prices still used as an index of living costs, the result would be materially different.

(c) Douglas and Lambertson relied upon union scales for computing the wages of a number of groups of workers. Such scales are even more sluggish than wages in general, in responding to rapid changes in the price level.

(d) Little weight is given to the unskilled. Their wages in recent years have risen more rapidly than those of any other group.

(e) It should further be emphasized that in the 90's labor found itself in an extremely advantageous position because of the rapid expansion which had been going on in agriculture for twenty years. The farmers at this time—the decade of the 90's—were in bad shape because of the over-expansion of agriculture. During this century the expansion of agriculture has slowed down, simply because of the dearth of land. Urban population, however, has continued to grow at a rapid rate. In fact, of the 40,000,000 increase in our population (1890–1920), 30,000,000 can be claimed for the towns and cities. Under such circumstances labor is bound to lose out in competition with the farmers for a share in the national income. And particularly is this so if real wages are measured by food prices.

Wealth.—Scarcely less significant than income is wealth, the possession of which means security. The most comprehensive study we have is that of King in his book "Wealth and Income in the United States." According to his studies wealth was distributed as follows:

Class of Population	*Country and Date*		*Percentage of total wealth owned by class*	*Average value of estate in dollars*	*Money value of estate compared to Wisconsin as base*
Poorest 65 per cent of the population....	Prussia	1908	4.9	153	40
	France	1909	4.3	186	49
	United Kingdom	1909	1.7	133	35
	Wisconsin	1900	5.2	381	100
Lower middle class, 65 to 80 per cent . .	Prussia	1908	5.5	743	49
	France	1909	5.6	1,052	69
	United Kingdom	1909	2.9	979	64
	Wisconsin	1900	4.8	1,724	100
Upper middle class, 80 to 98 per cent . .	Prussia	1908	30.6	3,445	39
	France	1909	29.4	4,602	53
	United Kingdom	1909	23.7	6,670	76
	Wisconsin	1900	33.0	8,730	100
Richest, 2 per cent . .	Prussia	1908	59.0	59,779	44
	France	1909	60.7	85,500	63
	United Kingdom	1909	71.7	181,610	134
	Wisconsin	1900	57.0	135,715	100
All classes	Prussia	1908	100.0	2,226	42
	France	1909	100.0	2,817	59
	United Kingdom	1909	100.0	5,067	106
	Wisconsin	1900	100.0	4,762	100

An appraisal of the more recent tendencies in wages was made by Alvin H. Hansen in 1923 before the American Economic Association:

"The wage unheaval of recent years has by no means been uniform for all classes of labor. The wage index for skilled labor is very different from the wage index of common labor, and both differ materially from the movements of the average wages of factory labor. Again, the wage changes of coal miners and railroad labor differ considerably from the fluctuations in other industries. It is therefore very difficult to say what the general level of wages was at the peak of the recent cycle or what the level is at the present time.

"Union hourly wage rates lagged far behind the upward movement of wholesale prices in 1916, creating a huge margin of profit for employers of skilled labor. By 1917 wholesale prices had increased 81 per cent over the 1914 base, while union wages had risen only 12 per cent. From then on the margin gradually narrowed until by 1920 wholesale prices stood at the index number 231 and union wages at 195, still leaving a margin of profit for the employer of union labor. By 1921 this favorable margin was wiped out and a huge negative margin appeared. Wholesale prices dropped to 150 while union wages were still rising, and reached the peak figure of 201. In May, 1922, wholesale prices stood at 151 and union wages at 189. This indicated some improvement, from the standpoint of the employer, in the wage and price situation as compared with the condition of 1921, but it is still very far from the pre-war relationship.

"The history of the wages of common labor presents a very different story. A combined index of the wages per hour of common labor used in the construction of public roads and the wages per hour of common labor in the steel industry, shows the following comparison with wholesale prices. By 1917 the wage relative for common labor was 146 while the relative for wholesale prices was 181, leaving a profit margin less than half as great as for union labor. In 1918 this margin was very nearly wiped out, prices standing at 198 and wages at 189. In 1919 the relative for wholesale prices stood at 210, the wages of road labor at 206, while the index number for the wages of common steel labor had risen to 231. The combined wage index for common labor was 219 as against 210 for wholesale prices. The profit margin on common labor therefore disappeared as early as 1919. In 1920, prices stood at 231 and wages at 246. In 1921 prices had dropped to 150 and wages to 192. By February, 1922, the wages of common labor had been deflated to such an extent that the index number stood at 145, while wholesale prices stood at 144. The significant points to notice are, first, that the wages of common labor did not lag appreciably behind the movement of wholesale prices except for the year 1917 in the upward movement, and 1921 in the downward movement; second, that they rose higher than prices in the peak and fell to the level of prices by the early part of 1922."

Criticism of standard of living assumptions.—Under the topic of standards of living throughout three chapters we have considered in turn (1) the varying concepts of standards of living, (2) the specific standards which have from time to time been evolved by research and reform agencies, (3) the income and wealth of various classes in the United States.

We are now prepared to raise some very real issues which will serve both as a summary and criticism of standard-of-living budgets:

1. Is the family of five, a father, mother, and three dependent children, the norm unit upon which standard of living budgets should be built?

2. Is there wealth enough produced yearly in the United

States to make possible the attainment of the budget totals proposed under the various names of the subsistence, the subsistence-plus and the comfort level?

According to the United States Census of 1920, there were 24,351,676 families in a population of 105,710,620; and 41,614,248 people gainfully occupied. Thus it follows that the average family is 4.4, not 5, and that there is one person gainfully occupied to each 2.52 persons in the United States. About 35,000,000 dependent children under 16 years of age point further to the fact that the average is 1.4 dependent children to the family rather than three, as assumed in most cost-of-living studies.

These facts, standing out in contrast to the assumptions of standard-of-living budgets, reveal the idealism which pervades them. It may well be that the family, socially considered, should be the family of five even though the average be 4.4, on the ground that five is a more desirable average. This is arguable. It is likewise debatable that the reason that the people gainfully occupied bear the relationship of 1 to 2.52 of the total population is, in part, the fact that the father's earnings are not sufficient to support a family without help from women and sometimes children, effort which involves social costs in terms of the sacrifice of health, opportunity in life, future dependency. Furthermore, it is arguable that although but about one family in nine consists of a father, mother, and three dependent children, yet most families at some stage in their history pass through the period when the assumption is true; and hence to prevent poverty at this particular stage we should figure on the exceptional period as the norm.[4]

It is necessary, however, to bring our budgets in contact with the facts of life, though at the same time we recognize that the facts should be altered.

The living-wage principle.—The burden of the cost-of-living principle, when predicated upon the family-of-five ideal, has been pointed out by the majority opinion of the United States Railroad Labor Board in a decision which denied the "living wage" principle:

"It is interesting and instructive to take note of the undoubted results that would follow the adoption of the theory of 'the living wage.' The representative of the employees states that according to the lowest living budget now available the living wage for common labor should be 72 to 75 cents an hour.

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[4] See also A. L. Bowley, Earners and Dependents in English Towns in 1911. *Economica,* May, 1921, pages 108–109.

"To bring the rates of common labor on the railroad to 72 cents an hour would necessitate an increase of 125.7 per cent. To maintain existing differentials between the rates of common labor and skilled labor—and the representatives of the employees insist that proper differentials must be maintained—would necessitate an increase by the same percentage of the rates of all classes of railroad workers.

"This would add approximately $3,223,952,387 to the annual pay roll, bringing it up to $5,589,445,993. Total expenses would then be approximately $7,804,871,733, and total revenues (1921) $5,563,232,215, and the carriers would face an annual deficit of $2,241,639,518.

"But, the representatives of the employees say, it would be impracticable to establish the living wage all at once, but that as a starter 48 cents an hour should be made the minimum wage for common labor for the present. Assuming the retention of the existing differentials for common labor on the railways, and for all other classes of labor, this would mean an increase of 5.45 per cent, which would add to the annual wage bill $1,249,390,994, bringing it up to $3,725,884,540.

"The total annual expenses of the railways would be $5,941,310,340 and total revenues (1921) $5,563,232,215, and the carriers would be up against an annual deficit of $378,078,125.

"In either instance there would not be a cent of returns for stockholders. Of course, for those who desire Government ownership this would be a quick method of getting it, for it is a sure thing that the public would not stand for the imposition of higher rates to pay for deficit.

"It must be remembered, in the last analysis of the matter, that the public would have to pay this wage bill, and when we say the public, everybody, rich and poor, is included. A vast percentage of the burden would be passed on to laboring men and women in other lines of industry in the form of increased living expenses."

A more scientific indictment of the idea was made by Paul H. Douglas before a meeting of the American Economic Association in December, 1922:

"If we analyze the various studies of the standard of living which have been made, it becomes apparent that in 1920 at least $1,700 a year, or approximately $34 a week was needed in our larger cities to maintain the so-called 'standard' of family on the minimum of 'subsistence-plus' level, and that at least $16 a week, or approximately $800 a year was needed for the woman worker living away from home.

"Now, excluding the million employed children, there were in that year approximately 26.7 million adult males who were gainfully employed, 6.4 million adult women and 5.5 million juveniles from 15–20, approximately two-thirds of the latter being boys. Had these men and women been paid the minimum amounts indicated by the various studies as necessary, with the lads and girls given respectively only half as much as their seniors, the payment of this minimum above would have demanded approximately 57 billions of dollars. Yet, according to the very careful estimation of Dr. Mitchell and his colleagues, the total national income for the previous year amounted to but 66 billion dollars."

"For 1920 it was of course considerably less; not more than 60 billion at the outside and probably even less. After making all allowance for the fact that the estimate of 57 billions is somewhat excessive because of the lower cost of living in agricultural regions, and also for the fact that the payment of such a wage might serve to increase the national income itself, it is probable that the margin left is altogether insufficient for (1) the differential wages above the minimum for those with greater manual or mental skill, (2) interest upon invested capital, (3) rent, (4) somewhat overlapping the previous three items, a fund for savings, the annual amount all of which Mr. King places from 12 to 16 percent of the national income."

As a constructive suggestion for a way out of the dilemma, Mr. Douglas suggests paying men, not fixed sums, but instead, amounts varying with the number of dependents which the wage-earner is called upon to support. To quote:

"I wish to suggest the three chief features which should characterize any such system in the United States: namely (1) the payment of a basic minimum for all adult males sufficient to maintain either a single man living away from home, or a married couple without children, (2) the granting of an additional allowance for each additional dependent up to a limited number of children, and (3) the creation of a pool through which the allowance would be paid.

"1. The payment of a basic minimum for all adult males: This minimum should not be that of the amount necessary to support the family of five but should be, instead, an amount sufficient to support a single man living outside the family circle on a minimum of 'subsistence-plus' basis together with a liberal allowance for saving. In practice, this will probably be found not to total much less than the amount needed to maintain man and wife. If necessary, another basic minimum for women may be fixed, sufficient to support a woman living within the family.

"2. The granting of additional allowances for each dependent up to a limited number of children. As a man marries and his family increases, an additional sum will be given the family according to the extra expense occasioned by his wife and by each child. In order to check undue expansion of population, however, I do not believe that allowances should be given for more than three, or at the most for more than four, dependent children under the age of sixteen. It would be better not to pay flat allowances for every child since King and Sydenstricker have shown that the maintenance of a child of fifteen costs approximately three times as much as that of an infant of one. To avoid the difficulty of continual recomputation as the ages of the children change, I would advise dividing them, irrespective of sex, into only three age groups, one to five inclusive, six to ten, 11 to 15 with varying allowances for each.

"3. The creation of a pool through which the allowances would be paid: To require these allowances to be paid by individual employers from their own funds would, of course, result in employers discriminating against workmen with a large number of dependents in favor of workmen with few or none. A considerable percentage of those with large families would consequently be thrown out of employment and would be in a worse state than in the beginning. This danger may be avoided, however, by having each employer contribute a flat amount for each employee to a central pool from which the allowance to the employees would be paid."

Just how practical is a plan of this kind is an open question. Probably industry on the whole is not ready for such a method of payment. Off-hand it seems doubtful if workers laboring on the same job, producing the same totals, will consent to unequal wages based upon marriage or single existence, no children, or four under 14 years of age. Yet attitudes can be changed by education and probably one reason why workers think as they do is simply because the wages based upon production have been the rule of the past and wages based somewhat on needs are not necessarily illogical or impossible.

The most promising field for better wages, higher standards of living, and the conciliation of the ideal with the fact, however, seems to lie in the reduction of waste in industry and the finding of incentive to greater production. Although this is essentially a co-operative process, management must respond and can respond to a degree it has as yet failed to realize.

For Discussion

1. What determines whether an individual is poor or wealthy?

2. Why is emphasis placed upon real income?

3. In terms of security and independence does wealth or income count most?

4. Indicate how great disparities in the distribution of wealth and income create social unrest.

5. P. F. Dunne's character, Mr. Dooley says, "America is a country av aqual oportoonity—av the rich to get richer an the poor to get poorer." Do the facts in the text support the statement?

6. "Try as you will, the stubborn inborn forces of race will act as a barrier to complete equality." Granted. Does this answer the problems raised by inequality of wealth and income? What, if anything, can be done?

7. Gide states that inequality of wealth continues after many other inequalities have been eliminated. Why?

8. Why do the extremes of wealth and poverty persist?

9. To what extent did wages and prices keep in step during the War period?

10. On the basis of the wage studies in this chapter, how do you account for the seeming prosperity of the working class during the War period?

11. "In discussing income the student must keep his eye upon family totals as well as the income of the principal wage-earner." Why?

12. Why are statistics as to the hourly rate of pay for wage-earners rather dangerous to use for concluding that the workers have or do not have sufficient income to meet the cost of living?

13. Is cheap labor always profitable labor?

14. May labor which is cheap for the employer prove expensive to the community?

15. Why have the various forms of radicalism secured comparatively little footing in the United States?

16. The term "excessive incomes" sometimes occurs in print. Can an income be excessive? By what standards, if any, do you conclude that an income is "excessive"?

17. The expression "that man is underpaid" is not uncommonly used. What determines whether or not he is underpaid? Would you consider (a) the size of the worker's family, (b) his

productivity as compared with other workers, (c) the wages paid for his work in comparison with what is paid for other kinds of work?

18. "What is to be desired is not equality of wealth but equality of opportunity." Granted. Can equality of opportunity exist where there are inequalities of wealth?

19. "Both equality of wealth and equality of opportunity are idle dreams of the extreme radical and the sentimental reformer respectively." Discuss.

20. What is a "living wage"?

21. In the text you find index numbers used. Explain how an index number is worked out.

22. What proportion of the net national income goes to wage-earners? Is it always constant? Why not?

23. Space is not given in the text to tables demonstrating family income by periods. What might they tend to demonstrate?

24. What can be said for a system of wage payment based upon the needs of the wage earner?

25. Among what factors does the national income have to be distributed?

26. What is the average family in the United States? What should it be? Why?

27. Criticize the opinion of the Railroad Labor Board as given in the text.

For Investigation

Bureau of Economic Research: "The Income of the United States."

Volume I contains a summary of an extended study by able scholars.

King, W. L.: "Wealth and Income in the United States."

Comprehensive.

The Monthly Labor Review of the United States Bureau of Labor Statistics.

Gives current data on cost of living, wages, and related topics.

PART V

THE STRUGGLE FOR STATUS

Striving for all they can get, workers have sometimes (1) banded themselves together for direct economic action against employers (unionism), (2) organized as consumers to do away with middlemen's profits (consumer's co-operation), (3) joined for the production of goods (producer's co-operation), and (4) voted for labor men in and out of the old parties (political action). From one to the other of these methods the pendulum of energetic activity has swung from time to time, guided by what the workers believed would yield most to them, while (5) sprinkled in their midst have been an impatient changing minority which has been insisting that the capitalistic organization of society must be abandoned before workers can achieve their goals.

Chapter XVI

UNIONISM: GENERAL ASPECTS

Unionism is so conspicuous in the modern world that it is naturally thought of as the most important method by which the workers approach the betterment of their conditions in industry. It may be well, therefore, to ask, "What is this unionism?" Is it possible that one term can include all the various forms and theories and programs with which we have become familiar—the Industrial Worker of the World with his industrial union, his sabotage, his hatred of the employer; the carpenter, with his demands largely limited to higher wages and shorter hours; the glove maker, with her distrust of union action of any kind; the United Mine Worker with his powerful organization possessing millions of dollars and years of successful experience in collective bargaining? Yet these divergent types and phenomena, and exceeding other manifestations, constitute the aggregate to which, by common sanction, the term "unionism" is applied.

The leaders explain unionism.—Let John Mitchell, former president of the United Mine Workers of America, explain the reason for unionism:

> "The average wage-earner has made up his mind that he must remain a wage-earner. He has given up the hope of a kingdom to come, where he himself will be a capitalist, and he asks that the reward for his work be given to him as a workingman. Singly, he has been too weak to enforce his just demands, and he has sought strength in union, and has associated himself into labor organizations."[1]

Let John Fitzpatrick, president of the Chicago Federation of Labor, tell what union men are seeking:

> Question: "Mr. Fitzpatrick, would you please explain just what it is that you union men want?"
>
> Answer: "All we can get!"

Why men join unions.—Our insight into human nature has already prepared us to question whether or not the reasons given before are adequate explanations of unionism. Is each "worker" who joins the union conscious of what Mitchell and Fitzpatrick described as the reason and goal of unionism? An analysis of the membership of a particular union group might reveal some such story as this:

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[1] John Mitchell, "Organized Labor," pages 9–11, American Book and Bible House, 1905.

A sees in Unionism a chance to get increased wages.

B had to join the union to keep his job, for none but union men worked in his shop. He would drop his membership in a minute if he dared.

C is employed by a certain "information service" to spy upon the members of the union and report their activities to a manager of the business.

D sees a chance for "big money" if he can become a business agent.

E says the insurance feature of the union appeals to him.

F says unionism inspires hope of better wages and conditions, which will enable him to educate his son, so that the son will not have to work as his father does.

G sees that the union may be an instrument for the overthrow of capitalistic society, and desires to get the confidence of the workers and lead them to revolutionary activities.

H was asked to join the union by a friend, and felt under obligation to do so.

I follows the crowds. "Everybody belongs," he says, "and we have good times at the meetings."

More light may be thrown upon the problem of why men join unions by considering some of the reasons why men do not join unions:

A is a thorough individualist, refuses to accept dictation from anybody, especially from a union officer.

B says union dues are higher than he feels he can afford.

C believes that all union officials are grafters and does not intend to fatten them with his union dues.

D does not expect to stay long on his present job; he says it doesn't pay to join the union.

E hopes to please his employer if he stays non-union.

F does not want to strike; he does not look beyond the weekly pay envelope. He is afraid to take chances with a union.

Both of these lists must be recognized, of course, as incomplete and unbalanced. First, they are not weighted, and hence do not tell a story of the relative merits of each cause as a motivating factor driving toward union membership or away from it: second, it is probable that men act as a result not of one but of many reasons, some of which may be contradictory. All that is intended is the indication that highly rational and generalized conclusions must be avoided. The only way to determine why men actually join unions is to study actual unions in detail, and when the economist attempts this job he will find he can turn with value to sociology and psychology for a method in analyzing individual and group behavior.

In their book on the "History of Trade Unionism," Beatrice and Sidney Webb quote a description of the factors that influence an apprentice to become a member of the union. Although the apprenticeship system exists in the United States to a very much less degree than in Great Britain, the general influences set forth are suggestive for understanding the changing attitudes of younger workers everywhere.

"To an apprentice, Trade Unionism is little more than a name. He may occasionally overhear the man in his shop discussing their Union and its work; and he knows that after 'club night' a number of stories of the incidents of the meeting will be related; while, if he works in a strong Society shop, he may even hear heated discussions on resolutions submitted to the meeting. But the chief topic will always be the personal one—who was at the meeting, and what old chums were met; for the 'club' is generally the recognized meeting-place for 'old cronies' in the trade. If he works in a shop where any of the Trade Union officials are also employed he may sometimes receive a word of advice and exhortation 'to be sure to join the Society when he is a man.' On the whole, however, his knowledge of, and interest in, the Society will be very slight.

"As the youth draws near the end of his apprenticeship he finds that he is frequently spoken to by Union men and urged to join the Society. He notices, too, that more attention is paid to him. The advantages offered by the Society are freely dilated upon, great stress being laid upon the friendly benefits—the sick, super-annuation, funeral, and above all, the out-of-work pay. And as the advantages of this provision are pointed out to him he recollects the time when his father, a staid, steady-going mechanic, was thrown out of work by slack times, and the memory of that bitter experience clings very closely to him. Perhaps he is also in love. The thought of seeing 'her' miserable and their children hungry while he himself is helpless to assist, must always be one of the most harrowing things to a careful young artisan, with visions of a happy little home in the near future. There is, however, another view of the club. The Trade Union

Meeting House is the recognized club for the men in the craft, and thus presents many social attractions. Friendships are made, numerous 'sing-songs' and smoking concerts arranged; and the joke and friendly glass, the good cheer and the conviviality, all present great attractions to the young workman.* * *

"The club is also a centre for obtaining the latest trade news. Here come the unemployed from other towns; here are to be heard reports of reductions or advance wages, increased or diminished working hours, stories of tyranny, or the first rumors of that bug-bear to the men—the invention of new machines, with its probable displacement of their labor; or even worse, the introduction of women and boys at reduced prices. All these attractions incline the young artisan to enroll himself in the lodge, but it is mainly personal considerations which in the end decide him to take the step. Are the good men in his trade—those whom he likes, who have treated him well, helped him out of his difficulties and given him coppers when a lad, the powerful men, the foremen, and those whose words carry most weight with their fellows—are these men members of the Union? If they are, and if, as is most probable in a Society shop, he has formed friendships with other young fellows who are already members, it is not long before he consents, and allows himself to be duly proposed as a candidate for membership."[2]

Unionism and personal unrest.—Between the rational formulas propounded by the union leaders and the varied motives of the rank and file, unionism seems to present a bewildering complex of contradictions. If we are to discover a key to the paradoxes which we uncover at every turn, it is necessary to think of unionism, not as something unique and isolated from all the other phenomena of the world of men, but to recognize it simply as one of the manifold forms of collective human action.

Organizations of every kind spring from individual unrest. When human beings find themselves confronted by the perplexities of similar situations, they find themselves thwarted by the same things and dissatisfied by the same conditions. Thus, lonesome college freshmen may organize a literary society, clothing workers may organize a union, business men may organize an association, or Jews may organize a movement for a national home. These various organizations simply testify to the unrest of individuals in the solution of their personal problems.

Too much importance can be attached to the power of leaders in stirring up workers to unrest. Theories of dissatisfaction, dreams of possible things, their schemes of organization, serve a purpose, but all this, important as it is, would end as a harmless bit of theatricalism were it not for the response from those who see in the leader and his programs a possible solution for their own dissatisfactions.

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[2] Beatrice and Sidney Webb, "History of Trade Unionism," pages 445–49.

Forms taken by unrest.—The unrest of the workers may take many forms aside from that type of joint action which we call unionism. Persons who are thwarted in the experiences of the shop may set themselves to organize and perfect a church choir or an athletic club, and thus secure an outlet for the impulses in their nature which industry has curbed. Many personal conflicts are not reconciled by organizations of any kind, but take the form of day-dreaming or gossiping. Yet any of these various forms of behavior are related to a common sense of maladjustment.

When the social organization puts a large group of human beings in the employ of a few owners in an elaborate economic organization, it is not surprising that a large part of the discontent of workers should be related to some feature of the economic situation. Thus it is but natural that with the rise of modern technology we have had the slow development of large and stable organizations of workers.

Of course the organization of workers is no new thing in the world. There is a definite record of a strike in Egypt as early as 1490 B. C. which sounds very modern. Certain Hebrew bricklayers refused to accept their working conditions. But such manifestations, although related to similar causes, are singularly weak and sporadic when compared with the present permanent organization of our modern working classes. It is not a strained interpretation to point out that one of the achievements of the machine age has been to convince more and more of the population that the social order, like the inanimate things of nature, can itself be made the object of concerted plans and reconstructions. Unrest thus manifests itself in some form of organization for readjustment, whereas in former days unrest might have found an outlet in a new religious cult.

The competitive tests of unionism.—Everybody knows that the success of an organization is not guaranteed by the fact that it has progressed to the stage where it can properly dignify itself with the term "organization." Dreams of ideal communities, of new business enterprises, of new fraternal orders, of new reforms—how many of them lie buried to-day in the grave of blasted hopes! The same social order which decrees unrest and organization also decrees the subtle terms on which the organization is to survive or perish.

And what are these tests? If one were to seek for a simple and useful formula to indicate them, one might say that *the success of each organization depends upon its ability to compete with every other social organization for the support of money and human energy.* The church is deemed successful which holds and increases its membership and its buildings; the university measures increase in terms of students, endowments, and distinguished members of the faculty; and the fraternal order whose numbers are on the decline has a presumptive sentence of death already passed upon it.

Unionism is naturally no exception to this universal rule of competition. Employers may offer jobs to idle workers only on condition that they abandon their union; political parties may suggest prosperity to others; co-operative movements may claim to be the surest way of absorbing capitalistic society and of lowering the cost of living in the meantime; utopian ideas of building communities, opportunities for an escape from the status of "a laborer" bid for acceptance.

At the same time, within the union movement itself there are many varieties of policy and structure. Industrial unions struggle for the members of the older craft unions, and revolutionary bands who refuse to bargain collectively bid against the conservative unions for support.

It is not surprising, therefore, that the theories and tactics and policies of any organized working group will be found to reflect the particular conditions which they have been forced to reckon with in their effort to survive.

Structural diversity.—During the period of handicraft industry the distinction between carpenters, ropemakers and printers was broad and distinct. Each craft was concerned with the competition of other workers in its own craft field for wages. Thus the first labor organizations in this country took the form of craft unions. The carpenters organized as carpenters, the ropemakers as ropemakers, printers as printers.

A later period in American labor history witnessed the rapid introduction of machine industry which tended to split the various craft occupations. Substitution of workers was increasingly easy; the distinctions between the crafts became less definite. Since a period of industrial depression coincided with this rapid change, it was impossible for the workers to hope for very much by direct economic action. Separate craft consciousness was thus on the decline and it became possible to organize a general labor union known as the Knights of Labor.

Although there was a rebirth of craft unionism among the more skilled groups when economic conditions improved and it became possible for them to improve their separate status by acting independently, there remained a large mass of workers who performed special operations on machines or who were thrown into special circumstances in which it was necessary to act as a unit against their employers on industrial lines. This produced in the coal mining industry, the bridge building industry, and in certain others a movement toward organization along industrial rather than craft or general labor lines. Theories, of course, were developed to assert that each type was superior always and everywhere to all the other types, and thus there originated the historic clashes and jealousies over questions of internal organization which we shall examine more fully in the course of our study.

Diversity in attitudes.—The same elementary fact that different situations produce different theories of tactics and policy, explains the diversity in attitudes found in the ranks of organized labor. Highly-paid groups, such as the plumbers are fairly well contented to fight for occasional increases in wages and an occasional shortening of the work day. In contrast, the casual workers of the West have faced conditions which have caused them to advocate a complete scrapping of the current industrial order. They are inclined to adopt sabotage, to favor sympathetic strikes, to fight merely for the sake of keeping in fighting trim and reducing the profits of industry.

Thus the difference between business and revolutionary unionism correlates itself with the divergent conditions of survival in which different working groups have found themselves.

The test of immediate results.—Regardless of its structural make-up or its prevailing attitude with regard to its objectives, each form of labor organization must meet the test of immediate, tangible results. Says the impatient worker, "Why pay dues to permit a bunch of fellows just like myself to hold down a white-collar job?" Unless the union officer can forestall the question by making the benefits of the organization obvious, he must be able to point to plausible instances of better things in the way of shortened hours, "boosted" wages, and more congenial conditions of employment. Remote ends may be cherished by the theoretically inclined; but to the every-day worker who has to pay the rent on the first of the month, to pay the grocery bills every two weeks, to clothe an entire family at irregular but unavoidable intervals, the present is the appointed time. A suit of clothes now for one's child looks infinitely more important than a worker's paradise of golden streets and alabaster walls by the year 2000. The worker, it cannot too often be insisted, must live in the great here and now, because the grim conditions of personal survival hedge him in on every hand.

The mere getting of results is by no means the only concern of the union, for by the very nature of the case results are commonly apparent at infrequent intervals. Wages raised in December cannot be still further raised the following May, but by Spring the workers have come to accept it as a matter of course, and the connection of the union with the increase may be lost in the shuffle of daily cares. A reduction of hours in June cannot be expected to warrant another reduction in November, but the workers who are faced by continually fresh discontents cannot be presumed to give thanks for blessings past and gone.

The preservation of morale.—For the sake of the perpetuation of the organization between the times of tangible results, the preservation of morale becomes the most pressing function of the union. By morale is meant that collective will which is built into groups by securing a subordination of the individual to the group, and a willingness to be disciplined in terms of group purposes. It is by morale that the group is welded into a unit which survives, and it is by the practical cultivation of the devices for the building up of morale that unions learn to live.

Now, morale is preserved in innumerable ways, especially by the multiplication of services which are, strictly speaking, irrelevant to the specific function of the organization.[3] Recreational activities are encouraged, and the union sponsors smokers, socials, picnics, musical festivals, shows, and speeches by famous people. The encouragement of good fellowship supplies a motive for attending union meetings, sticking to the union "through thick and thin," and urging others to join. Outings are arranged for children in the summer-time, insurance and pension schemes are evolved, and "the hat is always passed" for an unlucky brother who has had sickness or an accident, or for the widow and children of the unionist victim of an industrial fatality. The whole family is captured in the mesh of the union's by-activities, and thus the wives are willing to stand firmly with their husbands when the test of conflict finally comes. But this is not all.

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[3] This statement should not be taken to ignore the more obvious cases of how interest in the organization is sustained in the job-finding activities of the union, the work of the union shop committee in protecting members against discipline and handling

Morale is heightened by exalting the benefits of unionism. This is done by references to the "dark ages before the union," and by stories from the old timers of the wretched oppression before the workers were "united to win their rights." The coolie of China, a "land without unions," has served to point the obvious morals.

Fearful pictures of the dragons of unionism heighten morale. The "bloated plutocrat," "the oppressor of defenseless women and children," and "the profiteers of Wall Street" become the symbols of those beasts in human guise against whom the valiant knight of unionism goes forth to do battle.

Morale is succored by hero tales. The grizzled veterans of the strike of '93 or '13 fight through their battles verbally for the benefit of the rising generation, and they in turn receive their meed of praise in speeches, applause, parades, and legends. Unionism has its saints and martyrs, its prophets and its generals. Confidence in the infallibility of the leadership, never complete but never unessential, is fostered by the hero cults.

And then, morale is nourished on hope. Prosaic souls tell in vigorous and pugnacious language of the "next great victory"; poetic spirits weave a spell of dreams when the workers come into their own and possess the good things of the world, when exploitation shall be no more, when every man's children shall

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grievances and disputes. Union membership is particularly easy to maintain in piece-work shops, because there are so many disputes over new rates, payment of work rejected by inspectors, payment for waiting time, and so forth. The coal and clothing industries illustrate well how unions are aided by small disputes in maintaining the interest of their membership. Moreover, the union man usually gets substantially more than the non-unionist in the same occupation and in the same place.

have as good a chance as any other man's, and when strife and tumult shall be over. Through privations and disappointments, drudgery and disillusionment, the longing for a better day feeds the spark in many a weary, hardened human personality . . . for some day! In the labor movement as in no other movement of our time, "hope springs eternal in the human breast." The shrewd organizer of the steel strike hoped, by simultaneous demonstrations in all of the steel centers, to give the impression of a colossal movement and to rouse the almost extinguished hopes of the rank and file of the steel industry, a testimony to his respect for the driving power of hope.

Almost last, and perhaps not least, morale is fed upon rational theories. From the economists come the analyses of the ills of capitalism—periodic crises, unearned increments, growing concentration of industrial control. From the political scientists come statements to the effect that "political democracy cannot exist without industrial democracy," and that "the ultimate basis of the State is the force of the dominant minority." From literature come the satires of a Strindberg and the ironies of an Anatole France. Art and learning furnish ammunition for the theoretically inclined among the workers, and the apparent logical consistency of these authoritarian arguments is not without its effect in reassuring the mass of the justice of its desires.

Then there is the value of conflict in the heightening of morale. There are many theorists within the labor movement who deny that a strike is ever lost, for to them the common hardships of such a battle more than serves its purpose in educating the mass to that solidarity upon which their ultimate emancipation is supposed to depend.

The unions are not without their dogmas, and by the same token they are not without their heresies, their "intolerables." "Family quarrels are the bitterest," and in the ranks of labor the battle against the "exploiter" is sometimes forgotten for the sake of damning Socialism, Anarchism, Bolshevism, Industrial Unionism, Craft Unionism, and others. The modern radicals who keep their membership in the conservative unions and fight for more determined policies (the "borers from within") are held up to the same ridicule and calumny which they heap on the "mossbacks." Unionism, being composed of humans, is an intensely human movement.

For Discussion

1. "If you really want to understand the significance of unionism, talk to a union official." Just how much wisdom is there in this suggestion?

2. Formulate a definition of unionism which seems adequate to cover the diversities revealed by the study we have made. Does your definition mean very much? Would it be wiser to substitute a brief description?

3. "The man who joins a union reveals genuine intelligence." Who might make such a statement as this? Is it really intended to describe facts or what one likes to pretend are the facts?

4. "Unions are the spawn of dangerous agitators." Discuss this proposition. Who probably made this statement? Is it really intended to describe facts or what one likes to pretend are the facts?

5. Why do men join a political party? a lodge? a church? a union?

6. "Young people are submissive to authority. They make poor union material." What about it?

7. Make a list of all the influences which work upon the young English apprentice discussed by the Webbs, and which dispose him to become a loyal union man. How many of them would you classify as "rational"?

8. Why do people "love their country"? Make a list of such factors as shape this attitude.

9. "Man is to a large extent the victim of uncritical suggestion from his social environment." Discuss.

10. What are the signs that people are restless?

11. "People who are restless may make themselves happy by (1) day dreams, (2) solitary hobbies, (3) recreational clubs, (4) working hard, (5) organizing new groups." Illustrate these specifically and add other ways in which such personal conflicts may be solved.

12. What are the tests which determine whether a business is succeeding or failing? What are the tests which determine the success or failure of a union?

13. "There are as many cleavages inside the labor movement as there are between the workers and their employers." How do you explain the degree of truth which is here set forth?

14. "The rules and regulations of a group are not as important as the objects the group has before it." Discuss.

15. "A particular procedure is the result of a past conflict. The past conflict is the outcome of a particular experience meeting a particular situation." Of what importance is this abstract statement?

16. May the same structural type of union be revolutionary at one time and conservative at another? Cite examples.

17. May the same structural type of union be revolutionary at one place and conservative at another place in the same industry? Illustrate.

18. How far back do the memories of people go in appraising the benefits of an organization? Why do people sometimes lack gratitude?

19. Why is there a tendency for a church or a union to mulitiply services for its members?

20. Can you cite any organizations, besides unions, which use history to exalt their benefits?

21. "Everybody tends to think his own group is right and every other group is wrong." Can you cite examples? How do the unions capitalize this tendency of human nature?

22. Cite some heroes of various social groups. How accurate are the stories of their deeds? Does their social value depend on the accuracy of these stories?

23. "Washington is already a legend and Lincoln is almost one." What is the particular usefulness of these legends?

24. "Hope and faith are the attitudes that keep people going." What is meant by this?

25. Suppose people believed that some day in the near future all special privileges would be abolished from society. What social significance would such a belief turn out to have?

26. "Dreams come true." Are dreams a factor in their own fulfilment?

27. "Almost last, and perhaps not least, morale is fed on rational theories." Just what are rational theories? Does this statement do injustice to their influence in society?

28. "Radicals never regard a strike as lost." How can such an attitude be taken by reasonable people? Is it valid?

29. Make a list of the beliefs which an Englishman is "supposed" to have and which an American is not supposed to have. Make a list of the heresies which an Englishman is not supposed to harbor and the heresies which an American is supposed to support.

30. "Family quarrels are the bitterest." Is this to be explained on the ground that similar groups are in greater danger of losing members to one another than to distinctly different groups?

For Investigation

Webb, Sydney and Beatrice: "History of Trade Unionism."

Ibid: "Industrial Democracy."

Two authoritative studies in trade unionism with reference to the British experience.

Commons, John R.: "Documentary History of American Industrial Society" (edited in collaboration).

Consists of reprints of historical material dealing with labor in the United States.

Ibid and Associates: "History of Laborism in the United States."

Summarizes in two volumes the trends in American labor history.

Hoxie, R. F.: "Trade Unionism in the United States."

An interpretation of unionism as a social force.

Douglas, Hitchcock and Atkins: "The Worker in Modern Economic Society," Chapter XVIII.

A convenient collection of readings designed to present a view of the entire field of union action.

CHAPTER XVII

UNIONISM: EXTENT AND ORGANIZATION

The growth and extent of unionism in the United States is revealed in the following table:

Year	*Membership in Thousands*
1897	444
1898	497
1899	604
1900	865
1901	1123
1902	1374
1903	1913
1904	2073
1905	1945
1906	1906
1907	2078
1908	2090
1909	2003
1910	2138
1911	2337
1912	2441
1913	2701
1914	2674
1915*	2860
1916*	3000
1917*	3451
1918*	4000
1919*	5607

(*From the International Labour Office Bulletin, Series A, No. 17, pages 1–5).

That union growth is not confined to the United States is strikingly brought out in the following:[1]

End of Year	*Membership in 20 Countries*
1910	10,835,000
1911	12,249,000
1912	13,341,000
1913	14,728,000
1914	13,222,000
1919	32,680,000

In 1920, according to the preliminary occupation statistics, the membership of American trade unions was 12 per cent of the number of gainfully occupied persons.[2]

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[1] International Labour Office Bulletin, Series A, No. 17, pages 1-5.

G. E. Barnett has summarized the distribution of union membership thus:

Distribution of Union Membership Among Various Occupational Groups [3]

Group	*1897*		*1915*		*1920*	
	No. in Thousands	*Percentage of Total Number Organized*	*No. in Thousands*	*Percentage of Total Number Organized*	*No. in Thousands*	*Percentage of Total Number Organized*
1. Mining and quarrying	21	4.7	332	12.9	418	8.5
2. Building trades	67	15.2	533	20.8	888	18.0
3. Metal, machinery and ship-building	50	11.3	220	8.6	836	17.0
4. Paper, printing and bookbinding	38	8.5	115	4.5	163	3.3
5. Lumber and wood working	5	1.2	21	0.8	24	0.5
6. Food, liquor and tobacco	44	9.9	111	4.3	116	2.4
7. Restaurant and trade	6	1.4	89	3.5	151	3.1
8. Textile	8	1.8	23	0.9	109	2.2
9. Clothing	15	3.3	170	6.6	362	7.4
10. Leather	13	2.9	50	1.9	91	1.8
11. Transportation	116	26.2	576	22.4	1217	24.7
12. Theaters and music	7	1.5	87	3.4	96	1.9
13. Public Service	11	2.5	77	3.0	160	3.2
14. Chemical, clay, glass and stone	23	5.2	53	2.1	52	1.1
15. Miscellaneous	20	4.4	111	4.3	241	4.9
Total	444	100.0	2568	100.0	4924	100.0

The American Federation of Labor.—The American Federation of Labor is the most powerful labor organization in America and has dominated the field since about 1890. The international unions, chartered by the Federation, assume jurisdiction over organization within a prescribed trade or industrial group. These international unions issue charters to local unions, authorizing them to organize the workers within a prescribed locality, and laying down general rules of behavior. Each local union is designed by a number, as Local Union 20 of the International Ladies' Garment Workers.

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[2] "The Present Position of American Trade Unionism," *American Economic Review Supplement*, March, 1922, pages 46–49.

[3] Adapted from G. E. Barnett, "Growth of Labor Organization," *Quarterly Journal of Economics*, XXX, 793; also "The Present Position of Trade Unionism," *Supplement American Economic Review*, XII, No. 1 (March, 1922), 52–55.

Once in possession of a charter from the A. F. of L., the autonomy of each international union is complete, unless it attempts to encroach upon the groups assigned to another international organization. The Federation is restrained by its own laws from chartering any union within the jurisdiction of one previously chartered. In trades where no international union exists, the Federation grants charters to organizations of eleven or more workers of a trade in one locality. These are also called local unions. When seven or more of these locals desire, they may petition the Federation to receive an international charter.

In localities where there are too few wage-earners in any one trade, or too few desiring organization, the workers of miscellaneous occupations may be grouped together in Federal Labor Unions under the A. F. of L. In general the A. F. of L. looks with disfavor upon industrial organizations, although the mine workers are conspicuous exceptions. The A. F. of L. had 3,260,086 paid-up members in 1919, and 4,078,740 in 1920. In the industrial depression after 1920, the paid-up membership dropped off.

Other labor organizations.—The four most powerful railroad brotherhoods started out as insurance companies and denied for many years that they were unions. They are still outside of the A. F. of L. Their policy is that of business unionism and their organization is on craft lines. The membership of the "Big Four" in 1920 was:

Locomotive Engineers	86,900
Locomotive Firemen	125,900
Railroad Trainmen	184,600
Railroad Conductors	56,000

The Amalgamated Clothing Workers.—The Amalgamated Clothing Workers were organized in 1914 as an industrial union of clothing workers. It has become well known for its educational work, its arbitration agreements, and its fighting power. In 1920 it reported 177,000 members.

The Industrial Workers of the World.—The Industrial Workers of the World were organized in 1905 among the casual laborers in the harvest fields and lumber camps, and among bridge workers. In 1913, newspaper talk erroneously put the membership up into the hundreds of thousands; in 1922 the organization had become practically memberless. Many of its former members are now members of the growing communist party. It can be described best by reviewing the preamble to its constitution.[4]

Outline of American trade union history.—Organization was not necessary to protect the worker in Colonial times, for in those days the worker was not assigned to a status in production which was relatively permanent. Each apprentice could look forward to the day in the not-too-far-distant future when he should become a journeyman, and the ambitious journeyman could in turn become a master worker. Commodities were made for consumers to fit the particular orders, and custom prescribed the treatment of workers.

The workers found themselves in a new situation when the slow improvement of transportation widened the possible market for a particular unit of production. With the improvement of highways and the building of canals, it became possible for the master to increase the market area for his goods. He began to hire a larger number of workers and to manufacture commodities in advance of demand. Competition with many other producing units followed and often prices were lowered to meet the new conditions. Decreased prices increased the drive of employers to lower the costs of production and since the workers were somewhat defenseless the employer often deflated wages or lengthened the hours of toil.

Under these circumstances local craft unionism put in appearance. Some of the first unions were the Philadelphia Carpenters, 1791; the Philadelphia Federal Society of Journeymen Cordwainers, 1794; and the Typographical Society of New York, 1794.

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[4] "The working class and the employing class have nothing in common. There can be no peace so long as hunger and want are found among millions of working people and the few, who make up the employing class, have all the good things of life.

"Between these two classes a struggle must go on until the workers of the world organize as a class, take possession of the earth and the machinery of production and abolish the wage system.

"We find that the centering of the management of industries into fewer and fewer hands makes the trade unions unable to cope with the ever-growing power of the employing class. The trade unions foster a state of affairs which allows one set of workers to be pitted against another set of workers in the same industry, thereby helping to defeat one another in wage wars. Moreover, the trade unions aid the employing class to mislead the workers into the belief that the working class have interests in common with their employers.

"These conditions can be changed and the interest of the working class upheld only by an organization formed in such a way that all its members in any one industry, or in all industries, if necessary, cease work wherever a strike or lockout is on in any department thereof, thus making an injury to one an injury to all.

"Instead of the conservative motto 'A fair day's wages for a fair day's work,' we must inscribe on our banner the revolutionary watchword, 'Abolition of the wage system.'"

With the continued broadening of the market the "merchant-capitalist" took over the function of dealing with the consumers and the supplying of raw materials to be worked up by the master craftsmen by contract. In order to cheapen the costs of production the "merchant-capitalist" began the employment of prison labor, low-wage country-town labor, and woman and child labor. He was thus able to threaten to withhold work from any particular master craftsman who paid high wages to the older workers. This forced the master craftsman to save himself by cutting wages or increasing hours still further.

Competition developed shortly between cities and the workers in some of the larger cities took the initiative for both city-wide and State-wide organizations of labor. Thus from 1827 to 1837 a vigorous movement for the federation of crafts went on. The Philadelphia Mechanics' Union of Trade Associations, 1827, and the national organizations of the cordwainers, the comb makers, the carpenters, the hand-loom weavers, and the printers were typical of the period. The panic of 1837 paralyzed these new organization movements, and disintegration was soon complete. The industrial revolution had already taken big strides in England and the seeming misery of the readjustment attending it brought out various revolutionary, uplift, and utopian proposals which made a great appeal to some of the educated theorists of the day. Unionism passed into an eclipse, but various reform schemes and community experiments were developed in the next twenty years. The people who were interested in labor reform were the articulate people who wrote and spoke, and they did their part toward winning for their epoch the title of "the hot air period of American history."

During the latter part of the period the old master craftsmen began to accumulate sufficient capital to permit the introduction of the new machine technique. Since each unit of factory production was yet small it was possible for the old "merchant-capitalist" to act as the wholesaler and to purchase from the manufacturer offering the lowest prices. The manufacturers were thus compelled to use every expedient to lower their cost of production, and it is not surprising that the workers were forced to assume a part of the burden. Working conditions were not challenged because the discontented persons could migrate westward and set up as independent farmers. The invasion of machine processes increased the competition of the craftsmen and led to a vigorous assertion of craft unionism. Local crafts and general federations were developed in the interval between 1853 and the Civil War.

The Civil War increased the cost of living, thus stimulating labor unrest, and at the same time increased the demand for labor. The craft unions, painfully built up during the preceding decade, were thus in a strategic position to extend their interests. When the war was over their policies continued to bring results until 1873 when the crisis rendered competition for available jobs too keen, and sent the union structures crashing to their ruin.

The exclusiveness of various crafts was broken down through the subdivision of process so characteristic of the new machinery whose introduction had been hastened by the demands of the Civil War for large-scale production. A general labor union, the famous Knights of Labor, arose in the latter part of the seventies as the worst effects of the panic wore off. The industrial situation in which the Knights began rendered direct economic action difficult, and yet it attained to a considerable degree both in direct economic effort and in co-operation, until the rising A. F. of L. and the seething of craft organization within, finally diverted its attention to political action exclusively.

The latter part of the eighties and the nineties witnessed important changes in the relative position of the manufacturer. Through patents which he controlled and surplus funds with which to finance sales campaigns, the influence of the wholesaler was reduced, and the position of the individual manufacturer became more assured. Increasing industrial prosperity and dissatisfaction with the meagre results of political reform led to the discrediting of the Knights of Labor policy. Skilled workers had been able in many instances to adjust themselves to the new machinery and to re-establish some degree of control over their conditions of work. Since competition was on a national scale, it was necessary for each important craft to establish a national organization for the consideration of common matters, a feat that the same transportation and communication improvements which had set them their problems, had made possible. The period since 1890 has witnessed the domination of the labor movement by national craft unions organized in the American Federation of Labor. The railroad brotherhoods started out as insurance organizations, and one of their presidents indignantly denied they were unions. This tradition of separatism from the A. F. of L. has perpetuated itself to the present time, although the railwaymen no longer blush when called unionists.

Collective bargaining between employers and union representatives appeared during this period on a large scale, a development which was possible because the new dominance of the manufacturer over the processes of production made the future more certain for him, and the necessity of bearing down on wages less grave. The increased solidarity of the labor movement is indicated by the fact that a business depression no longer wrecks the unions.

This same modern period which has witnessed the ascendency of craft unionism has brought with it a new development, the radical industrial union. The highly-skilled labor men have been able to control their conditions of work under the new machine industry, and their pension, insurance, and preferential rights give them a substantial stake in ordinary bargaining unionism. But the machine industry has wiped out the significance of craft lines in the less skilled lines which include such a large proportion of the workers. These workers, frequently penalized for the sake of paying the skilled craftsmen high wages, have found themselves in a situation in which the brother Levites of labor have passed by on the other side. Having less to lose and more to gain than the craftsmen, these unskilled groups are fertile soil, during periods of depression or sharply rising prices, for a type of organization wiping out craft lines and adopting a unified and aggressive plan of action on the economic field. The I. W. W. has taken the lead in urging this sort of a reorganization of the labor field. The few industrial union groups inside the A. F. of L. have been inclined toward a more aggressive policy than the more sober craft groups.

These radical suggestions presage a time when the coal-transportation-steel blocs of workers can co-operate in a common battle against the large business units which are located at strategic points in the industrial field. They point to the fact that the manufacturers who have gone so far as to coalesce in trusts have made it a consistent policy to fight unionism.

The steel corporations, harvest machinery groups, and several others can be cited to instance the situation with which the orthodox unionism is unable to cope. The radicals have precipitated the issue of craft versus industrial organization.

Craft or industrial unionism?—The craft unionists have much in common with one another. They must protect their skill by controlling the number who learn their trade, and they must establish uniform working conditions, throughout their market area, because each member of the craft competes with every other member. The immediacy of these interests has given strength to the effectiveness of the craft.

To the advocate of industrial unionism craft organization is an inadequate fighting weapon in the battle for better working conditions and the supplanting of the present industrial order. To illustrate the argument:

> "Every worker on a railroad, whether he be a section hand or a locomotive engineer, works for the same employer. All are necessary to the maintenance and operation of the railroad. If they were not, they would not be employed. The section hand must keep the track in repair, else the engineer cannot run his locomotive at the required speed.
>
> "All have the same interest in common—more wages, shorter hours, and better conditions. Logically all should be organized together. However, we find that the craft union organizes the engineers into an isolated union having its own international officers and its own agreement with the railroad company. The brakeman is in another union, having another agreement or contract; the conductor in another, and so on all along the line. We find that there are seven different international craft unions in the railway industry, not to mention the shopmen. In the railroad shops and round-houses there are at least ten other craft organizations. All of these different organizations have separate contracts with the railroad company; all these contracts expire at different dates. The result is disastrous to the workers. When the fireman goes on strike the engineer remains at work; his union contract must be lived up to; he is liable to a heavy fine if he violates it. The engineer stays on the job and teaches the scab fireman how to attend to the water gauge. He teaches him how to attend to the boiler. In short, he teaches the amateur scab how to become an efficient scab. When the switchman goes on strike the brakeman remains at work, and vice versa."[5]

If these advantages are so overwhelmingly in favor of the industrial union, why have the craft unions persisted? The answer is that while, in the long run, the industrial unity of action may be an advantage, the craft unions have interests which separate them from the unskilled rank and file of a particular industry. The engineer gets his high wages regardless of what the section hand is paid; true, they might theoretically be higher if the workers were unified, but even this is not certain, because the difference between the skilled man's wages and the unskilled man's wages would probably be levelled down if the skilled men were outvoted in a general industrial union. Thus, at least, runs the argument of those who explain the persistence of craft unionism. In other words, the conflict of interest between the skilled and the unskilled may be as intense, if not more intense, than the conflict of interest between the skilled man and his employer. The skilled man has much to lose in case a strike is unsuccessful, for unless the walk-out is universal, he is liable to lose priority rights and other preferences for which he has spent many years of work.

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[5] "The Revolutionary I. W. W." by Grover H. Perry.

Jurisdictional disputes.—Everyone has heard of building operations being stopped because two unions claimed that their members were the only ones entitled to do some particular job, and refused to permit the other union members to work. As Dr. Whitney, in his study of jurisdictional disputes, has pointed out; in the construction of the elevators in a modern fireproof building, the work

> "will be claimed in its entirety by the Elevator Constructors, but this demand will be opposed for different parts of the work by the Electrical Workers, the Sheet Metal Workers, the Machinists, the Structural Iron Workers, and the Carpenters, each of these unions claiming such part of the work as it regards as lying within its trade. The Elevator Constructors maintain that the whole work is so closely connected that it cannot be conveniently or properly performed in parts by different trades. The plastering of the building will be conceded to the Plasterers, since the work of applying plastic material to walls is pretty well defined. However, if certain forms of decorative plaster, which are made up in factories and cast in sections all ready to be nailed to the wall, are used, the Plasterers will still insist on the control of the work because the use of this material is displacing the older form of plaster, and the Carpenters will demand it on the ground that to nail these blocks to the wall is essentially their work since it is performed with their tools. The erection of the scaffolding used in various stages of the construction of the building will be claimed by the Hod Carriers and the Building Laborers on the ground that it requires little skill and is therefore to be classed as laborers' work.

by the Carpenters, because carpenters' tools are used; and, when scaffolding is to be used by the Marble Workers, by the Marble Workers' Helpers because the erection of the scaffolding is closely associated with the placing of the marble."

And so on through each stage in modern industry there arise thousands of disputes to cause delay and arouse antagonisms. The industrial unionists claim that the organization of workers into industrial unions would do away entirely with jurisdictional disputes, but regardless of the truth of their contention, the fact is that the emergence of the industrial union has frequently increased jurisdictional disputes. The engineers fought for many years to control the engineers "in and about" coal mines, rather than to concede jurisdiction to the United Mine Workers.

Joint councils are now being created to settle these conflicts and to bring some degree of order out of the chaotic situation.

Tendencies in union government.—The internal structure and function of the various trade unions have undergone many profound changes since the appearance of unionism. Democracy was practiced on a small scale in the local unions. Officers were usually selected for very short terms and union jobs were passed around. The only position requiring any particular skill was the "walking delegate" or business agent, and even this official was unknown in most of the crafts. The business agent dealt directly with the employers in the local market area. The area of active competition expanded as roads, turnpikes, canals, and railroads increased, and the workers throughout the market competed with one another. Better wages secured in one place were but temporary gains, since the cost of production was frequently so increased that business declined in the face of competition from other quarters of the market, unemployment followed, and gains disappeared. Unity of action throughout the entire market area became obviously important, and the local unions became more and more willing to strengthen the national organization and subordinate the locals. Centralization was secured by using the national convention as a legislative body capable of deciding on national policies. An executive committee and a president wielded executive authority and frequently were authorized to decide disputes. The growth of centralization is illustrated in the story of the International Typographical Union and the Cigarmaker's International.

The "chapel" was an organization of printers working in one shop or office. The chapel assemblies were mass meetings. Co-operation soon appeared among the chapels in a particular city, and association were organized for beneficiary purposes and to secure uniform conditions. Since effectiveness depended on city-wide action, the local chapels became subordinated to the association. The control of the city union was vested ultimately in the monthly meeting of members. Expanding interests led to the formation of a national union in 1851, but this organization was given little real power. Delegates were selected by the local unions and each local was given one vote regardless of the number of its members. Since the executive duties were very light, the policy of changing officers was quite feasible, and in thirty-five years the national body had twenty-eight presidents. In 1869 the locals were represented on a numerical basis, in spite of the opposition of the smaller units. Further steps toward integration were taken after 1884, and the national organization established a printers' home, provided for death and strike benefits on a substantial scale, and supervised the negotiation of collective contracts with employers. In order to make the representative bodies more responsible to the rank of file, it was decided in 1889 to submit all proposed amendments to the constitution and all laws involving increased taxation to general referendum, and in 1896 direct election of national officers was arranged for. Thus in a little over 60 years, the national organization has established its ascendency over the locals, even to the extent of declaring strikes "illegal" unless approved by its officers.

The Cigar Makers' International has absorbed more and more of the activities formerly carried on by the locals. A benefit system for sick, disabled, or unemployed members has increased the prestige of the national. The funds are not placed in the treasury of the International but are scattered among the local treasuries, subject to careful supervision by traveling auditors. The union label has, of course, been made possible by national organization.

Admission to membership.—Are all persons actually working at a trade and competent to perform it eligible to membership in a trade union? In general the answer is in the affirmative, but there are frequently many restrictions. Women, negroes, and aliens are excluded by many unions. Initiation fees are charged and these may exclude many workers in actual practice. Usually the union must endeavor to attract members by hiring organizers to agitate among non-union men, by conducting advertising campaigns, and by offering attractive benefit features. Membership is frequently controlled by limiting the number of apprentices, and by securing preference for sons or brothers of union men.

On account of the extreme specialization of modern industry the necessity for long apprenticeship has been almost wholly eliminated. The following table shows the average time necessary to train men in the years of the Emergency Fleet Corporation during the War:

Length of Training Period for Twenty Trades in Twenty-one Yards Covering 9,700 Men

Trade	*Average Days for Each Trade*	*Trade*	*Average Days for Each Trade*
Riveters	28	Machinists	39
Holders-on	14	Pipe Fitters	39
Heaters	10	Regulators	12
Ship Fitters	51	Gas Welders	30
Shippers	28	Electric Welders	28
Drillers	13	Burners	23
Reamers	12	Punchmen	21
Bolters	10	Ship Carpenters	48
Linermen	8	Hand Caulkers	48
Erectors	20	Tank Testers	33

The existence of such a condition shows why labor unions have been forced to liberalize their admission requirements, and why many of them are antagonistic to the introduction of new appliances which subdivide skilled jobs. That such restrictive practices as do prevail have not handicapped the expansion of unionism in the United States is amply demonstrated by the record of its growth as previously cited.

Leaders and the rank and file.—The politics of labor unionism are a fascinating illustration of how groups actually work when they are controlled by the democratic principle that each man's vote is as good as any other man's vote. Many of the tricks practiced by union leaders are practiced by the leaders of all political groups. Yet within the labor movement itself there are wide variations. The general principles of leadership discussed here must be qualified to indicate the difference between a Samuel Gompers and a Tim Murphy.

The union official must avoid any appearance of ostentation which would arouse the jealousy of the rank and file. He must buy union hats, shirts, and shoes; and eschew any but union plug tobacco and cigars. Typically he finds it absolutely essential to develop a "glad-handedness" which extends a welcome to the highest and the lowest. In common with every political leader, the more names, especially first names, he remembers, the more votes he can count upon. The primary virtues of generosity, of treating, of contributing to the support of widows and orphans, of honesty, and of loyalty to friends are indispensable.

The official must possess the knack of bestowing the favors at his disposal, such as appointments and recommendations, advantageously for his own welfare. The job he bestows must please the man who receives it, if disappointment is to be avoided and a sense of obligation developed which pays itself out in kind words and strenuous electioneering. Particular care must be exercised in the handling of possible rivals. The offer of a job may bring a promising man into his personal machine, and the judicious handling of convention proceedings and the wise distribution of business among subordinates may prevent the rival from appearing too frequently in the limelight. The granting of favors must be done in a man-to-man fashion without the slightest trace of condescension.

Moreover, the labor official finds it useful to play a conspicuous part on all ceremonial occasions when it is possible for him to act as the representative of the group as a whole. There he will speak impressively upon subjects upon which there is no difference of opinion among his group. Labor holidays, anniversaries of great victories, and memorials for deceased members are all appropriately seized upon by the astute leader.

As an official in conferences and meetings he has the difficult task of maintaining a suitable dignity, of not losing the human touch as a presiding officer, and of appearing anxious to listen to advice, though he must give the impression of one who after conscientious effort arrives at an independent judgment. He must appear both to take advice and possess a will of his own. In addition, if he possesses the ability to make a forceful and loud speech, and if of commanding physical appearance he is fortunate.

Holding a union in check.—Perhaps the most difficult task of the official is not arousing the fighting spirit of his group but rather "sitting on the lid." During a period of falling prices when factories are shutting down, wages are being cut, and employers are violating union contracts, both openly and indirectly, the rank and file blaze with discontent. The union must act to prove its merit; the leaders must act to save their heads. What must be done? The shrewd and experienced leader has long since tempered his own passions by considering the immediately possible as well as the eminently desirable. He has witnessed the tremendous strain on trade unions during a period of depression, and his conferences with the employers have enabled him to see their side of the proposition. He must, therefore, temper the unruly mass.

Holding the union in check may be accomplished by hearty agreement with the historic aims of trade unionism, higher wages, reduced hours, better working conditions. These symbols which appeal to the crowd may be used as never before. But now the leader begins to view with alarm the tremendous hardships of the immediate future—"the crafty scheme of the employers to force a strike in order that scabs may be hired at lower wages," "the paid agitators of the bosses who stir up discontent and give an excuse for tying up the factory and repairing the machinery." He may insist that the real fight is to keep the old standard from being cut by more than 25 per cent.

And thus it goes. By exaggerating both his sympathy for the hopes of the masses and his fears for the immediate future, the official may be able to prepare the rank and file for a defeat so grave that a slighter defeat is hailed as a positive victory.

But tactics of this kind are obviously full of the gravest danger, both to the leaders and to the stability of the organization. A certain lack of frankness in dealing with the facts, which attends such tactics, may arouse increasing suspicion of the reliability of all leaders, and without a certain amount of willingness to trust the judgment of leaders, large-scale organizations are helpless.

Bureaucracy and insurgency.—This habit of deceiving the rank and file for "justifiable purposes" frequently holds over to less legitimate matters. The official easily acquires the bureaucractic habit of mind which regards the mass as an unreasoning gust of wind which puffs hither and yon without rhyme or reason. He does not care to discuss what is occurring in his contacts with employers. Thus the education of the rank and file suffers and, as they keep apart in their turn, the official grows steadily away from sympathy with their needs. The result may be the formation of an insurgent movement of considerable dimensions which threatens to wipe out the experienced leadership, root and branch. The old guard finding itself attacked can, and frequently does, resort to parliamentary manipulation—ruling out the delegates of opposing factions, packing committees with pro-administration majorities, recognizing of the friends of the administration during the deliberations of the convention. When tactics of this kind cannot be overridden, the insurgent movement has to give in or break away, as did the Amalgamated Clothing Workers in their historic split with the United Garment Workers. In England, during the War, the unrest of the rank and file resulted in the selection of shop stewards who were not recognized by the national union executives, but who initiated policies more popular with the majority.

In appraising this situation it must not be overlooked that either party to the controversy typically feels itself in the right. The insurgents may have an actual majority at their beck and call. The old leaders may feel perfectly confident that their great experience has given them a better knowledge of the long-run needs of the mass than any group of young office-seeking upstarts whom they blame for stirring up the popular passions. Both groups have their personal ambitions, which are certainly not unlaudable in themselves, hopelessly entangled with what they conceive to be the general welfare.

Enough has been made of this necessity for "sitting on the lid" to indicate one side of the question. It is also true that on matters of policy the nominal "leaders" are compelled to protect the security of their position by advocating only the policies which are popular. This is merely a specific application of the observation that "Everybody will yell for justice; not everybody will yell for a budget system." General symbols unite; specific issues divide. Officials cannot save their heads if they identify themselves with unpopular policies. Thus the initiation of constructive measures tends to be left in the hands of theorists and dogmatists who perform the educational function. The officials must estimate the time when sufficient public sentiment has developed to make it feasible for them to "lead."

Abuse of power by leaders.—The temptation to the abuse of power is quite as great in labor unions as in other organizations. There are authentic tales of union officers who have pocketed money for securing a fellow unionist a job, who have allowed themselves to be bribed by employers to overlook infractions of the union standard, and who have sold out the union to the employers during a strike. The emoluments of office may grow so large that they cause dissatisfaction among the rank and file; then parliamentary trickery may not be sufficient to protect those in office from being ousted by their fellows. Under such circumstances rival candidates for office have been slugged by hired thugs, or hounded from one job to another by the officialdom in power. Abuses of this kind appear in the building trades, for instance, where the opportunities for corruption are very great because the dealings between the employer and the business agent are often private, where the group has to delegate power to settle the many disputes arising on many different jobs and, in delegating power, loses control over its leaders.

Here, as always, comes the plea for an "intelligent public opinion" in the labor group, and at the same time, there appear the customary difficulties, for the workers are inclined to be indifferent if things run smoothly, and to be blindly infuriated if things run badly. Information comes from gossip, labor newspapers, and chance personal observation, but it is fragmentary at best. Personal troubles are largely blamed on the group leaders, very much in the manner of the famous Kansas farmer who voted against the President because his crop failed.

For Discussion

1. In what occupational groups does unionism have the strongest hold? Explain the factors which determine the strength of organization in various occupations.

2. "Unionism is a minority movement. Only a little more than a tenth of American workers are unionized, only about a tenth of the organized attend meetings, and only about one tenth of those who attend meetings control union policies." Discuss.

3. "Unions are at the strategic points in industry and thus wield a power far beyond their apparent numbers." Is this dangerous to other workers who are not in the strategic posts?

4. Analyze the extract from the I. W. W. constitution. Just what charges are made against present society? Discuss each one separately from the standpoint of its accuracy.

5. "As a force the I. W. W. is overestimated; as a symptom it is underestimated." What does this mean?

6. If you were seeking an understanding of the I. W. W. what facts would you want? Would you want any more facts than were given in the chapter on the casual laborer? How did that chapter account for radicalism of this type?

7. "Labor history should be correlated with the widening of the market." Follow through the analysis critically and see whether or not this is an adequate explanation. Could you correlate the labor movement with other factors, such as the widening of the system of free public education, the growth of newspapers, the disappearance of industrial opportunities?

8. How did the Civil War affect the labor movement? How did the World War affect it? How do you account for any differences which you may observe?

9. "The solution of the discussion about the form of unionism will result in a form of organization in which both craft and industrial units will be recognized." Explain.

10. "Over a short period of time the skilled laborers have something to gain from craft unionism; over a longer period of time they will lose." How long a period of time would it take for the alleged tendencies to appear?

11. Explain the intensity of jurisdictional disputes in terms of the analysis of group competition and conflict developed in the preceding chapter.

12. How do you account for the appearance of the main tendencies in union government?

13. "Unionism tends to become an oligarchy." Can you cite other forms of organization which tend in this direction?

14. "Every conflict group demands a centralization of authority." Discuss in terms of the army and a union.

15. Speaking from the standpoint of a union officer, under what circumstances would you advocate the restriction of union membership? The increase of union membership?

16. Make a list of the elements of leadership which are mentioned in the chapter.

17. In what respects does trade union leadership differ from leadership in government affairs?

18. "An entity is developed by constant association in co-operative situations." What are some of the devices by which the leader becomes an "entity"?

19. Just why is it that the labor union leader feels inclined to "sit on the lid"?

20. "Labor union officers soon get in the pay of the bosses." By whom do you suppose this was said? Is there any way to keep the confidence of the rank and file?

21. Explain the tactics by which the labor leader endeavors to "sit on the lid." Have you seen those tactics used in any other situation? Illustrate.

22. Is it possible to be honest with the rank and file? Are there not delicate negotiations which the mass cannot understand?

23. What are the devices by which a conscientious leader could keep in touch with the rank and file?

24. "Democracy is impossible. There must always be leaders who dictate what is to be done." Discuss.

25. "Democracy is inevitable. The mass will never tolerate leaders for long who don't get results." Is there any way to strike an accurate compromise between these two viewpoints?

26. "Unions are corrupt." Does corruption appear in other forms of social organization?

27. Would you anticipate more corruption in a church, a city government, a national government, a local labor union or a national labor union? Why?

28. Exactly what is "bureaucracy"? Substitute this word for "corruption" in the preceding sentence and answer.

29. Would you anticipate greater cleavages between the rank and file in the I. W. W., the plumbers, the carpenters, the coal miners, or the postal employees? Why?

30. What, on the basis of the foregoing facts, would be your summary of the importance of leaders in the labor movement?

For Investigation

Savage, M. B.: "Industrial Unionism in America."

A compact summary of cases.

Brissenden, Paul: "The Industrial Workers of the World," second edition.

Detailed and careful analysis.

Hoxie, R. F.: "Trade Unionism in the United States," Chapters I–IV.

Vivid and original. Defines unionism in terms of functions.

Commons, J. R. and others: "History of Labor in the United States."

The most complete treatise on the subject.

Carlton, F. T.: "History and Problems of Organized Labor," revised edition.

A thorough and brief exposition.

For additional reference see any standard text on organized labor.

CHAPTER XVIII

UNIONISM: POLICIES AND TACTICS

In its external relations the union must be regarded as a conflict group. It has no assured status. The legal institutions of society do not limit the amount of profits which are to go to the owners of capital, nor prescribe what workers are to receive as wages. Standards of what is the proper basis of distribution do not exist. Thus workers think it necessary to make demands and press them with force or threat of force, and the pressure which they exercise takes the form of direct coercion, collective stoppage of work, indifferent work, and positive destruction. These pressures, of course, are exercised by the workers acting in their capacities as members of a union; in addition, there are other types of pressure which they exercise as members of political parties, of consumers' and producers' co-operatives, and of every social group with which they have any affiliation.

Collective bargaining.—Collective bargaining is a form of negotiation between employers and organized employees which attempts to arrange a definite agreement covering their mutual relations, usually for a fixed period of time. Collective bargaining is now accepted by some as an integral part of the established order of things. But this was not as true fifty years ago as it is now. The managers of industry were more accustomed then to think of every decision respecting wages, hours, and conditions of work as matters to be arranged by individual bargaining. They refused, much as they do today, but with more success, to discuss wage contracts with representatives of their workers, and they especially refused to meet with supposed representatives of the workers who were not among their own plant employees.

Characteristically, when negotiation was denied them, the workers deemed it advisable to assert their interests by declarations of war without diplomatic negotiations. Strikes were called in separate shops of the same company for the purpose of causing inconvenience and delay in getting out orders. Or, sudden strikes were called of the entire working force whenever it was judged that the employer would suffer most from a suspension of production. A thousand tormenting devices were and are yet used on occasions. This perpetual guerrilla warfare made the costs of production very uncertain, and rendered it impossible for the employer to enter into future contracts with the confidence that he could meet his obligations.

Under such circumstances some regularized negotiation of terms offered advantages on both sides. Employers might sacrifice some part of their control over working conditions, if the union would assume responsibility for securing competent workmen and assure uninterrupted production during the contract interval. The workers, on their side, could sacrifice the right of suspension during the contract interval in return for assurance that their standards would not be undercut by the employer.

In the last analysis the "right of collective bargaining" was established as a concession to the power of the workers to damage the employers. This is basic. This has always been the process by which a new group has secured a share in the control of the conditions of society which affect it. Though origins lie in might, in time the thing fought for becomes accepted and, in turn, is referred to as a "right."

Market influences on collective bargaining.—Collective bargaining, as we have seen, implies the regular establishment of collective negotiations between the representatives of the employers and the workers in the market.

At first there were no formal written agreements. The men drew up their bills of prices, and presented them to the employers individually for acceptance. The first written agreements related to a few matters only—wages, employment of so-called "illegal workmen," and sometimes hours. The tendency has been steadily to add more and more provisions and to regulate more and more matters—in other words, to extend the scope of law and order in industry and reduce the field of arbitrary action. This tendency to broaden the scope of trade agreements is still in process, and is likely to continue indefinitely.

To-day the content of the agreement may include specifications relating to wages, hours, employment and unemployment, promotion, safety and sanitation, choice of foremen, methods of wage payment, and the technique of production. Machinery may be set up for the administration of the agreement, and it may be necessary to hold district and local conferences to adjust the differences between localities. Since the market is often nation-wide, a national system of negotiation is often called into existence. When such a situation exists, the usual procedure is for the separate conventions of employers and workers to fix upon their general policies and to authorize "scale committees" to negotiate. Sometimes the contract must be ratified by an assembly, by a referendum, or by an executive council; frequently the agreement becomes binding upon the assent of the negotiators.

Enforcement of agreements.—The mutual basis of the agreement has already been emphasized. It is apparent that if the supposed advantages to the two parties are to materialize, the agreement must be lived up to scrupulously by both sides. Yet there never was a contract so adequately written that it could define precisely the mode of adjustment to every situation which might arise during the term of the agreement. The possibilities of dispute are endless, and if either party is free to act upon its exclusive interpretation, the danger to the intention of the bargain is clear. The collective bargaining arrangement is not legislation nor a contract with fully developed and impartial machinery of administration. Rather, the collective agreement is more like a truce between sovereign powers. It is a make-shift pending the reopening of hostilities at its expiration.

It cannot be over-emphasized that a collective agreement does not have the status of legislation, as we have discovered in our discussion of the Amalgamated Clothing Workers, because neither party has formally bound itself to observe the prescribed rules indefinitely and without resort to force. The essence of the collective bargain is that it is a truce to the overt exercise of force, a truce with a definite time limit after which hostilities are to be freely commenced, unless a new truce can be negotiated. In view of the prevailing insecurity of the relationship established under collective bargaining, it is not to be wondered that the union officials are inclined to insist upon the recognition of every right which they can possibly secure, regardless of the existence of the truce. As a result of this state of mind, collective bargaining arrangements are fraught with grave danger. Their success depends to a large degree upon the willingness of union leaders to insist that the union observe its engagements during the contract interval, and upon the machinery set up for interpreting the agreement and settling what are the rights and obligations of the parties in specific instances. Unfortunately many agreements fail to provide adequate machinery for handling disputes.

The considerations suggest also why the estimates of the success of collective bargaining differ so substantially. The experience of every employing group and every wage-earning group is to some extent unique and incommensurable with the experience of every other group. Each group, therefore, has a particular experience of violation, of observance, of success or of failure to influence its judgment.

The aims of the union in collective bargaining are indicated in the policies which they have evolved. It is very largely upon our estimate of the various policies involved that our judgment of the institution of collective bargaining will depend.

The minimum rate.—The cornerstone of union policy is the establishing of a universal minimum throughout the market area in which workers compete for particular kinds of employment. If the man *B*, because of personal necessities which reduces his waiting power, is permitted to accept a rate of 50 cents an hour when the union rate is 60 cents, this may result in the substitution of *B* for a union man *D*. This undercutting of the market quotations for work is what unions try to prevent when they prescribe an inflexible minimum standard for every job.

The dangers of the minimum rate policy are sufficiently indicated by the objections which the employers and many workers bring against it. In their opinion it tends to produce inefficient work because the skilled men are paid at the same rate as the bungling, and consequently lose one incentive to maximum output. Old workers sometimes find that the employers who cannot pay them less than the minimum rate will not hire them, whereas when minimums do not exist, the older workers, many of them worn out at middle age, may still secure employment by accepting reduced rates. The standard rate sometimes retards the introduction of machinery and the extreme specialization of a skilled job with the resulting substitution of low-paid and unskilled workers for well-paid and skilled ones.[1]

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[1] It will be noted that these objections assume the standard rate to be a time rate and not a piece rate. It may be either, and, in fact, very commonly is a piece rate. Moreover, many agreements make special provision for superannuated or handicapped

The defenders of the minimum rate are able to point to certain considerations which offset the supposed disadvantage under which the efficient workers labor. The union rate tends to be higher than the competitive rate would be which the efficient men could establish by individual bargaining. The capable workers are customarily assigned to the most interesting tasks and are the last to be laid off in an industrial depression. Moreover, it puts a premium on good management and equipment and a penalty on mere bargaining skill.

Of course, the determining consideration with the union is the pernicious effect of differentiating workers, by different modes of payment. Very energetic workers are frequently paid a bonus in order to set high output standards which apparently justify the penalizing of other workers. In the long run, there is some point to the contention that these pace-setters are in danger of losing their jobs entirely because of nervousness and overstrain. The various piece-rate and other wage-payment systems are sometimes opposed on these grounds. If it be granted that workers benefit from unionism, solidarity will itself become a desirable result.

Hours.—Traditionally the labor unions have been interested in shortening the hours of toil. First, the objective was to abolish the twelve-hour day and substitute the ten-hour day; then it was to abolish the ten-hour day and substitute the eight-hour day; now there are indications of growing sentiment for the six-hour day in certain industries.

The labor leaders have long recognized that one way to get results is to decrease the working hours, but to retain the same conditions of pay. Thus the famous couplet runs:

> "Whether you work by the piece or work by the day,
> Decreasing the hours increases the pay."

Many in the ranks of the labor movement are anxious to take advantage of shorter hours for the sake of their home life, and for leisure to secure recreation or further education. But the press of circumstances is so great that frequently the shorter day is simply a "basic" day on which wages are figured. When "time and a half overtime" is paid for the extra hours when work is available, the temptation to increase meagre incomes is very great.

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union members. Furthermore it is worth noting, that unions often seek to preserve the differentials which the more skilled create for themselves by providing that all rates shall be advanced by a given percentage or amount.

The leaders have developed a whole set of theories to justify their demand for a shorter day, but like most theories, they are less important for their economic merit than for their merit in lending a color of rationality to the necessity of the union to "get more." It is argued, for example, that a shorter working day makes it necessary to hire more workers in order to get the same amount of work done, and thus the extra demand for labor increases the rates of pay. Better pay increases the buying power of the workers, and a demand for goods is thus created which increases, in its turn, the demand of labor.

The argument just cited takes it for granted that a reduction in hours of labor will decrease production unless more workers are employed. But another theory of the reduction of hours is used with the best of intentions; reduction in hours may not decrease production, but, rather, may increase it. In the last few years this argument has been commonly employed, especially in cases where the employers and the public constitute the audience.

It is quite obvious that anyone who wishes to form an independent judgment on this question must turn to impartial sources of information. In some industries the eight-hour day has proved its efficiency, but in other industries it is extremely doubtful whether the eight-hour day actually increases output and decreases cost.

Suppose the argument for the efficiency of the eight-hour day were ill-founded. Would that mean that the workers should not be granted an eight-hour day? There would be many who would argue that, quite apart from the motives of the workers, the eight-hour day ought to be granted because society needs an educated citizenship, an adequate family life, and workers who are not slowly poisoning themselves with fatigue.[2] It is a question, however, whether society can afford shorter hours if they are purchased with a decrease in productivity. Unless the shorter work-day maintains the productivity of the longer work-day, a reduction in hours will have to be paid for in terms of lessened production and a consequent reduction in the total of goods to be distributed.

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[2] Specialization which concentrates the strain of each man's work upon a particular part of the nervous system and upon a particular set of muscles makes the dangers of industrial fatigue much greater, and, hence, the length of the working day a more vital issue. Furthermore, when work is specialized, speeding up is greatly facilitated—one worker in a sequence of operations by demanding more work will put pressure on all who precede him. Nothing is more effective than the pressure which comes from other workers, unless advances in the art of management and the gradual acquisition by employers of more perfect control over the speed of the workers renders short hours more imperative. This is particularly true if we take as the unit of observation not the *day*, but the *lifetime*. Since employers do not pay depreciation on labor, they have an incentive to wear out the workers at an uneconomically rapid rate.

The open versus the closed shop.—This raises sharply the issue of the "closed shop," the demand of the union that only union men be employed. Opposed to this is the "open shop" which employs a man "regardless of his union connections." There are many sub-species and varieties of both the open and closed shop. The union may demand the closed shop, but permit the employer to engage anyone whom he wishes if the new employee will immediately become a member of the union. The most rigid union control is exercised when the union does not accept new members except after years of apprenticeship, or the initiation fee is so costly as to practically exclude new members; and the most rigid employer's control exists when any one not a union man is employed.

The basis of the demand for a shop closed against non-union workers is the ever-present danger of destroying the union. There is nothing to assure the workers that the employer will not dilute his labor force with anti-unionists, and that union men will not be discharged to make way for them. There are some unions which do not attempt to enforce a closed shop, but in each instance it turns out that some special condition prevails.[3] The railroad brotherhoods, for example, do not insist upon it, because members of the brotherhoods can secure insurance for 33⅓ per cent better rates than they can from private insurance companies, owing to the extra-hazardous nature of railroading.

Objection is raised against the closed shop on the ground that "every man in this country should have the right to work where, when, and for what wages he wishes to work," a right which is denied to non-union men. The union men have a feeling that since it is the unions which bear the expense of securing better conditions, the workers outside of unions are shirkers and parasites who deserve no consideration.

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[3] The insurance provisions of the railroad brotherhoods are sometimes cited as a reason for indifference on their part toward the closed shop. Several other reasons, however, are more important than cheap insurance: (a) they do not fear immigrant competition since knowledge of English is essential; (b) promotion in accordance with seniority means that there is no floating supply of non-union engineers, firemen, conductors, and brakemen to act as strike breakers; (c) discipline is strict, rules numerous, and, because of the seniority rule, discharge is a peculiarly severe penalty in this industry. Thus, the men join to get the protection of the union grievance committees and also to get immunity from having their infractions of rules reported by fellow workmen. Moreover, it is easy for the brotherhoods to hit back at the non-unionist who finds his every infraction of rules reported, and when the non-union fireman runs with a union engineer he may find he must shovel an extraordinary amount of coal.

The managers fight the closed shop on many grounds. They declare that it means the loss of incentive to efficiency because of the greater security which is afforded the individual worker. The union man knows the union deputy and may feel that though the manager should discharge him, his deputy friend would see that no union men put in appearance for the job. With a closed shop there are difficulties in expanding and contracting the labor force at the peaks of production and depression. The closed shop may be used to cut down the supply of skill available in production. Most important of all, and running through all of the above considerations, the employers regard the closed shop as a powerful weapon in the hands of labor which permits effective interference with management at the whim of labor leaders who are responsible to the rank and file for getting tangible results from time to time.

Even from the standpoint of the trade unionist there are strong considerations pointing against the 100 per cent closed shop. If the rule were enforced many laborers would be forced to join the union who have no real allegiance to it, and gradual disintegration might be expected. Such a view as this, it should be said, represents, in all probability, a minority opinion.

When all is said, the point of view so admirably expressed by Mr. Dooley sums up the worker's argument:

Mr. Dooley on the Open Shop[4]

"'What's all this that's in the papers about the open shop?' asked Mr. Hennnssey.

"'Why, don't ye know?' said Mr. Dooley. 'Really, I'm surprized at yer ignorance, Hinnissey. What is th' open shop? Sure, 'tis where they kape the doors open to accommodate th' constant stream av' min comin in t' take jobs cheaper than th' min what has th' jobs. 'Tis like this, Hinnissey: Suppose wan av these freeborn citizens is workin' in an open shop f'r th' princely wage av wan large iron dollar a day av tin hour. Along comes anither son-av-gun and he sez t' th' boss, "Oi think Oi could handle th' job nicely f'r ninety cints." "Sure," sez th' boss, and th' wan dollar man gets out into th' crool woruld t' exercise hiz inalienable roights as a freeborn American citizen an' scab on some other poor devil. An' so it goes on, Hinnissey. An' who gits th' benefit? Thrue, it saves th' boss money, but he don't care no more f'r money thin he does his right eye.

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[4] From *Literary Digest*, LXVII, November 27, 1920.

" 'It's all principle wid him. He hates t' see men robbed av their indipidence. They must have their indipindence, regardless av anything else.'.

" 'But,' said Mr. Hennessey, 'These open-shop min ye menshun say they are f'r unions if properly conducted.'

" 'Shure,' said Mr. Dooley, 'If properly conducted. An' there we are: an' how would they have thim conducted? No strikes, no rules, no contracts, no scales, hardly iny wages, an' dam few mimbers.' "

Relation to output.—Who has not heard of union men refusing to lay more than a certain number of bricks per day, regardless of whether they finished early in the afternoon or just before five o'clock? Or of the Luddite uprising in English history in which the enfuriated weavers smashed the power looms which had been installed in the new factories? Or the opposition of modern miners to the introduction of mining machines? The charge is often heard that organized labor causes the restriction of output by limiting the amount of labor to be done, and by restricting the introduction of machines which would increase production.

When we turn to the facts, there are undeniable evidences that maximum production limits are very frequently set and that men are urged not to exceed them. Stories are told of especially energetic workers who exceed the production standards and find themselves lacking certain essential tools and ignored by fellow workers. In part, these maximum standards are agreed upon to prevent piece work rates from being reduced. From bitter experience the workers have often learned that high production under a piece-rate scale will often result in a shaving of the rate, and an increase in the speed necessary to maintain the accustomed income. This continued driving has brought with it the early undermining of health, and the loss of jobs in middle life on account of the competition of younger men who in their turn will be cast upon the industrial junk pile. Partly, no doubt, these output restrictions are due to plain every-day laziness when good business makes labor difficult to get and it becomes possible to "get away with murder" as the phrase goes. One contractor for a building tells how his bricklayers cut the stint of 1500 bricks per day to 1100 bricks at a time when he could not protest, because the scarcity of labor made it impossible for him to get more bricklayers. Labor sabotage of this extreme kind results in mounting costs of building, less building, and unemployment. But for the time being the policy may pay the particular workers practicing it.

Restriction of Output in Practice Today[5]

"Important restrictions of output by employees can only result from collective action. In the building trades, for instance, some painters' unions do not permit the use of a brush wider than 4¼ inches for oil paint, although for certain classes of work a wider brush is more economical. Plumbers' and steamfitters' unions prohibit the use of bicycles and vehicles of all sorts during working hours. Members of these unions in some sections of the country demand that all pipe up to 2 inches shall be cut and threaded on the job.

"Unions are charged with restricting the use of machinery. Painters' unions refuse to allow their men to work on a job where a spraying machine is being used, making claim that the use of the machine is injurious to the health of the workman. Some labor organizations of minor importance, such as window-glass and stone-cutters' unions, may also be mentioned as opposed to the introduction of machinery.

"All such restrictions, so far as they prohibit the use of the best and most efficient machines, constitute limitations of output. The actions of most unions, however, are confined to the restriction of the use for machinery rather than its prohibition, because they have found it impossible to prohibit machinery altogether, and because they recognize that the machines lighten the physical drudgery in some tasks.

"The rule requiring that members of one craft union shall not encroach upon the work of another results in large waste and little benefits. Unions frequently require three or four skilled employees to perform various operations on a plain job which a single worker could satisfactorily do by himself. Union carpenters are forbidden to lay bricks, union plumbers are forbidden to do carpentering work, and the like.

"A union rule in newspaper printing requires that all advertising matter coming into the plant in electrotype form must be reset by the compositors. This useless work is sometimes done weeks after the advertisement has appeared.

"In as simple a matter as printing the names of individual firms on catalogue covers, where the imprints are set all up in slugs, after each imprint is run off, the pressroom workers have been known to insist that a compositor be brought from the composing room to make the change to the next imprint, while they stand idly by. In a case of this kind, where the runs are short, it amounts practically to requiring two persons to do the work of one. Similarly with paper handlers, sheet straighteners, feeders, and pressmen, it is not at all uncommon to be forced to have men from several different unions participate in a simple piece of work which could be performed more easily and economically by one person. In the printing industry a somewhat different situation is found, in the case of pressmen, where the union sometimes requires four men to operate a machine, although three would suffice.

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[5] Taken from Waste in Industry, pages 18, 19, 20. *Federated American Engineering Societies*, Washington, D. C., 1921.

"The following instances further illustrate restriction of output through divisions of labor: Carpenters' helpers are prohibited from using carpenter tools, requiring carpenters to do such work as stripping forms from concrete. Experience shows that helpers can do this more economically and as well. Brick masons insist on washing down and pointing brick work when laborers could do it more economically. Structural steel workers under certain rules must bring the steel from the unloading point to the building site, thus doing laborers' work at high cost. Structural steel men place reinforcing steel for concrete, whereas experience has proved conclusively that properly trained laborers can do it to as good advantage and at greatly lowered cost. Structural steel men claim the rigging on a job. In operating a small derrick used in footing excavation, the bucket cable had to be guided by hand and the hoisting engineer signalled by a skilled iron worker. Hoisting engineers claim the right to run all types of engines, including small gas-driven pumps which require no skill. On one job a contractor had to hire a union engineer at $8 per day simply to start a pump in the morning, oil it occasionally, and stop it at night. Union rules generally require distribution of plumbing materials above the first floor by union plumbers."

The workers point out that industrial sabotage (slowing up of production by dilatory tactics, and in some cases by actual destruction of machinery) is not practiced only by the workers. Big concerns occasionally buy patents and keep them out of use where their use may entail scrapping present equipment. The very essence of concentration in industry (trusts) is the monopoly advantage which comes from a partial limitation on supply which does not "spoil the market," that is, which does not drive the price below a certain limit which yields the margin of profit which the industry desires. Thus the salt makers of Michigan organized a selling pool, and agreed on the amounts to be produced by each member. Sometimes the profits desired by the combination are higher than the general average and the price is higher than it should be, fewer people are able to buy the commodity, and thus a few people benefit by not producing, rather than by producing. Occasionally some form of agreement may be regarded as wise if it is supervised to protect the public, for when no agreements exist in such an industry as the railroad industry, competing lines may drive their prices below cost of production and force bankruptcy proceedings or the curtailment of service. Restriction, whether practiced by managers or men, may not be wholly bad, although the danger of monopoly is always present.

The union regulations relating to machinery have been classified by Carlton as follows: (1) the prohibition of the use of the machine, as attempted by the window-glass workers and the cigar makers; (2) the limitation of the output of the machine, as required by the soft coal miners; (3) allowing only one machine to be operated at a time by one man, as is required by the English machinists; (4) requiring several men upon one machine, as is demanded by the pressmen and the stone cutters; (5) requiring skilled men to operate the machines, as has been done by the printers in regard to the use of the linotype.

When the union rules forbid the splitting up of processes among several workers, they are often aiming at the preservation of a skilled job, because the skilled workers are the ones who are loyal to business unionism. Sometimes this policy is due to a desire to keep jurisdiction over as much work as possible. The bricklayers insist upon their right to finish off a job by scraping and washing the brick, although the task could be accomplished just as well by unskilled men who would do it more cheaply.

The unemployment which frequently results from the introduction of machinery represents a .powerful motive for the limitations on its use. In spite of the theoretical arguments that "in the long run" output is cheapened, more people buy, increasing demand creates more jobs—the argument of the economist—the worker is concerned with the "short run." There are rent bills, coal bills, shoe bills, to be met next Saturday and next month, and one can't always be sure of getting a new job immediately. "Why," the worker may ask, "should I bear the cost of the introduction of machinery which begins to pay bigger profits immediately to the employers?" This is the basis of the oft-repeated suggestion that employment insurance is one way of relieving the burden of improvement which may seem to rest in disproportionate amount on the laborer.

There can be no doubt in the mind of an impartial critic that one of the vulnerable spots of union policy is its failure to insist with vigor upon ways and means of increasing production. This gives the employers a tactical advantage in their appeal to the public, since it is possible for them to condemn the unions as maintaining a high cost of living by restricting the supply of goods. The labor leaders believe, of course, that labor does not share the benefits of these increases proportionately with the owners, and that the owners decrease production whenever they think it would be more profitable to limit supply. However, when the employers' associations make a campaign against labor unions, they are able to secure some public sympathy by urging the necessity for increased production and by pointing out obvious instances in which labor union rules restrict output.

"The frontier of control."—In addition to the policies separately discussed, the workers have insisted upon a constantly widening sphere in the matters which were at one time, and which are now, often regarded as exclusively managerial functions. Rules governing promotion, the selecting of foremen, the division of work during slack season, the methods of wage payments, and similar matters are sometimes covered by agreement.

The strike.—As far back as 1786 the strike has been known in America. About 1800, strikes became frequent in New York and in Philadelphia, and by 1837 a newspaper in the former city declared that "strikes are all the fashion."

Causes of strikes.—As might be expected, in a given case it is very improbable that there is but one cause for the strike that occurs. Strikes are usually the result of many happenings and what appears on the surface to be the most obvious cause; or, what the workers or their leaders say is the reason for a given strike, may be either far from the truth or an inadequate recital of the situation. Wages, hours, recognition of unionism, and such matters do not cover completely the things for which human beings seek and which, if denied in given cases, may lead to conflict. Yet no method has been developed which permits the telling of the whole story.

Using the imperfect but customary pigeon-holes for classification purposes, certain conclusions are possible: Wages and hours are commonly assigned as the chief causes for strikes. It has been pointed out, however, (1) that strikes, for these reasons, have shown a marked falling off when compared, for example, with the 90's, (2) that seemingly the sympathetic strike has practically disappeared, although 35 years ago it was of common occurrence, (3) that (most important, perhaps) a very large proportion of strikes in recent years have been in industries which are highly seasonal or irregular in their employment of men; in other words, such industries as the building trades, clothing manufacture, and coal mining are contributing very substantially to the total strikes in a given year.

Cost of strikes.—The cost of strikes is likewise a subject upon which there is both an absence of method and little scientific knowledge. Seemingly it has been considered a subject upon which any man has an inalienable right to guess and then pass his guess along as fact. Just how dependable are conclusions based, as most conclusions are, upon the statements received from common sources of information, can be illustrated by the steel strike of 1919. The union leaders, according to the *Monthly Labor Review* of the Department of Labor for September, 1920, on the first day of the strike, September 22, 1919, announced that 279,000 men were idle. The next day the number was given as 327,000, and two days later as 340,000, whereas the employers denied the figures and declared that less than 40% of this number had gone out. On September 30, the unions announced that 80 per cent of the employees of the Bethlehem Steel Corporation had obeyed the call of the strike organizers; and the corporation countered with the announcement that 88 per cent of the employees were at work. The Inland Steel Company, of Indiana Harbor, on the same day claimed that 3,000 of their employees had returned, whereas the union stated that the number was 250. Similar instances could be given illustrating even a wider range of difference.

Not only is there little evidence of care being taken in computing the numbers striking, but the duration of strikes is stressed by unscientific periodicals and papers as if it were a norm upon which to compute losses by simple arithmetic. Apply the rule: The teamsters strike, let us say, for three days, and then the men vote to return to work. The employers, however, refuse to accept their return. What is the duration of the strike? Three days. But certainly the loss cannot be computed by taking the number of men out on the strike and multiplying by three. Neither can such a method be of great value in other situations where workers are dribbling back to work from the day the strike is announced until it is formally called off by either party.

Gains from strikes.—Along with the losses it does not occur to the usual observer that there may be such a thing as gains from strikes as far as the workers are concerned, aside from possible increases in wages or better conditions which may make the struggle worth while. Strikes are often-times profitable if the men have power so that the workers can get employmen in other industries near at home or out of town while the strike is on. Thus the Chicago waiters' strike of 1920 was dated to enable waiters to find temporary work at summer resorts which were just opening. Also, it is possible sometimes for the men to use their efforts at other necessary tasks about the household. If, because of a strike, a man has time to make repairs or perform work which otherwise would cost something, it is hardly fair to measure his loss from the strike by the wages which he has failed to receive from his employer. Many items should be posted upon the balance sheet; there are gains as well as losses.

Moreover the time spent in striking may simply postpone the demand for labor and cause employment for the worker at a time when otherwise he might be unemployed. Such a statement does not blindly embrace the lump of labor fallacy, it suggests exceptions to the rule. For example, it may be said, perhaps, with a certain degree of truth that the striking of coal miners partakes of the nature of vacation. The work waits to be done by them; and their striking may not reduce appreciably the total work days of the year or the total wage received in the year.

Strike losses.—The Bureau of Labor, in its Sixteenth Annual Report, undertook to ascertain the loss to employees in wages, and the loss to employers suffered during the period of twenty years from 1881 to 1900. Without making allowances for the qualifying facts suggested above, it came to the conclusion that the total loss was only $267,863,478 or a yearly average of $12,893,174. Of this amount the loss to employers was $6,136,556, and if the loss were spread as an average burden over all wage earners, it would have been but approximately 77 cents a year upon each worker. In 1900 it would have been 90 cents per worker. C. W. Doten makes the following comment upon these figures.

"King estimates the average wages in 1900 to have been $417. Thus the loss due to strikes in that year would have amounted to a little over 0.2 per cent of each workingman's wages, or, in other words, about three-fifths of a day's time, while the yearly average for the whole period would have been about two-thirds of a day per capita. In any case it is less of a loss than an added national holiday such as Armistice Day would entail. Moreover, it is worthy of note that illness occasions a loss each year at least twelve times as great, and that the fire loss in the country (1881–1900) was nearly ten times the wage loss due to strikes."[6]

It is well to observe, however, that the costs of strikes, as a matter of fact, are not spread out evenly upon the whole wage-earning group, that particular workers pay costs in given cases in terms of many dollars of lessened income, bringing with it debt, malnutrition of self and family, increasing inefficiency, idleness, and sometimes hate and lawlessness. Undoubtedly there is in strikes a large element of waste; some of it at present inevitable, some of it controllable. What is needed is a knowledge of the facts; and these facts will only be secured through minute studies of particular strikes. Full knowledge of the facts may impress the worker, the employer, and the community with the necessity of reducing the number of strikes, and, if combined with a study of the causes of strikes, may suggest methods of control.

The trend of strikes.—In 1905 Professor T. S. Adams reviewed the strike statistics from 1881 to 1900, and reached the conclusion that the trend was toward a relative decrease in strikes. He accounted for his conclusion by stating that the trade union "makes for the regulation and not the suppression of strikes, for their encouragement, in season, for their discouragement out of season, but on the whole its influence is conservative." It was his belief, that as trade unions grew stronger and older, the strike would be even more vigorously restricted, since it was the new and poorly organized unions which fomented strikes.

A more recent study made by Professor Paul H. Douglas, contradicts the view of T. S. Adams. After a most thoroughgoing review of strike statistics for the period 1881-1921 he points out:[7]

"1. The number of strikes in relation to the number of industrial wage-earners was over twice as high during the last seven years as during the period 1881–85. Had all the strikes that actually occurred from 1915 to 1921 inclusive been reported, the increase would have been still more marked. The relative number of these strikes, however, has declined slightly since the period 1886–90, and somewhat more since the period 1901–05.

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[6] C. W. Doten in "Waste in Industry."

[7] Quarterly American Statistical Association, September, 1923.

"2. The relative number of strikes in terms of the industrial wage-earning population has shown a truly remarkable increase over that prevailing in the period 1881–85 being four or five times as great during the years 1915–21 as at that time. This increase is extraordinary when compared with the rates for 1886-90 and for all other periods up to 1905.

"3. There has been a distinct tendency for strikes to increase in duration.

"4. Strikes are very much more common among union members than among non-unionists. During the years 1916-21, it is probable that unionists tended to become involved in strikes at least twenty-five times as often as non-unionists. From 1881 to 1905 the relative strike liability of unionists ranged from twenty-seven to eighty times that of non-unionists."

These conclusions although true enough may lead to an erroneous conclusion unless it be pointed out that the tendency, without question, is for unions to centralize control over strikes and to use the weapon more cautiously. Also, unions have greatly reduced turnover.

The strike and the law.—The strike is usually defined as a concerted quitting of work by wage earners who anticipate returning to their jobs after a temporary suspension pending certain adjustments of working conditions.

The legal position of the strike is a rather unsettled one, for "a strike" is a concept upon which agreement is not yet reached. It is not merely a joint quitting of work. An agreement to quit must precede. Demands are made upon the employer. There is a "threat" that unless the employer accedes, this quitting will be done. The quitting of work itself is not all there is to it, for it is a suspension regarded by the men as temporary. Furthermore, the carrying into execution of the intent of the suspension requires certain activities to be carried on. Benefits may be paid from union treasuries, pickets must be permitted to acquaint other workers and the public that a strike is going on, meetings may be called to keep up morale and discuss the progress of the suspension, communications of various sorts must be exchanged among the strikers, and some form of advertisement used to influence people to refuse to buy the products of the "unfair" employer or merchant (the boycott).

In England, during the eighteenth century unions were "conspiracies," and, therefore, illegal. Today it is generally agreed that they are in themselves perfectly legal, but the strike, which is regarded generally as labor's best weapon to make the union effective, is often declared illegal. The courts do not say that the quitting of work is itself illegal, because any attempt to force the specific performance of a laborer's contract would be involuntary servitude, and, therefore, unconstitutional. But the courts frequently accomplish the same purpose in other ways.

The purpose of a peaceful strike, as interpreted by the court, commonly determines its legality. If the strike is intended primarily to benefit the workers and not to injure the employer or third parties, the strike is legal. If the strike is intended primarily to injure the employer or a third party and only incidentally to benefit the workers, the strike is illegal. Various State courts have thus declared three types of strikes illegal: the sympathetic strike, holding that it is intended primarily to injure the employer; the strike to procure the discharge of non-union workmen or of members of rival unions, because it is intended primarily to injure those workers; and the strike to secure the closed shop, because it primarily injures non-union workers. It need scarcely be added that if the end sought be legal but the methods used involve physical coercion, destruction of property, intentional interference with or delay of the United States mail, the combination to strike becomes illegal.

From the foregoing analysis, it is clear why the union labor sympathizers criticize the courts in sweeping terms. In any particular case it is largely a matter of the training and point of view of the court as to whether the benefit to the strikers is of primary or of incidental importance. The union men may, for the reasons outlined above, regard a strike to secure a closed shop as of basic importance to the preservation of their union standards, while a judge may very honestly look upon this as incidental to the restriction imposed on non-union workers.

The illegality of a strike is no guarantee, however, that it can be prevented, even though stringent devices be called into play to prevent its occurrence and to control its conduct. The usual legal device for forestalling its uncontrolled course is the "injunction," a legal writ issued by a judge which specifies certain acts which may not be performed under penalty of punishment for contempt of court. The judge is authorized under common law to punish those who disobey the court's orders without trial by jury, unless such a procedure is authorized by statute. Originally this meting out of punishment grew up to permit the judge to suppress disturbances within his court room, and this was regarded as just. Later it was used to forestall damage which, if it occured, left no adequate remedy at law for the injured party. Undoubtedly, as a device, it has a proper service to perform in both cases. But when the offenses take place out of the immediate presence of the judge, and when jail sentences may be served for the doing of certain acts which the judge did not see at first hand, and whose illegal nature may not be unanimously agreed to, serious objection is raised. The practice of employers in securing an injunction to restrain the union from the effective conduct of a strike, and the sentencing of many union men by individual judges, led to a hampering of union strength and became a menace to individual liberty, thus arousing the violent antagonism of labor. At the instance of the labor group and its sympathizers, the Clayton Act of 1914 provided that men held for contempt of court for matters alleged to have taken place out of the immediate presence of the judge were entitled to a jury trial.

The boycott and the law.—During the eighties and nineties, boycotts were frequently applied with great success, but this success soon led to court action. One illustration of a boycott is cited here:

> "Theiss was the proprietor (of a music hall) and he employed an orchestra of thirteen pieces with a force of waiters, bartenders, and other helpers. His investment was given at $300,000. Among his employees were members of Waiters' Union No. 1, the Carl Sahm Club, the Bartenders' Union No. 1. The demands presented to Theiss were that he discharge the orchestra, who were themselves union musicians, though not of the same union, and employ only members of the Carl Sahm Club, paying union wages; also that all non-union waiters and bartenders be discharged—this within twenty-four hours, on pain of boycott. Theiss's son-in-law was head bartender and his son was head waiter. The leaders employed fifty men to conduct the boycott, supplying them with refreshments and arranging them in relays. They wore hats with boycott labels on them, passed out posters signed by the boycott committee of the Central Labor Union denouncing Theiss as a foe to labor. At times the crowd attracted in front of the hall was five hundred or more. The police arrested the leaders but the magistrates discharged them. Growing bolder, the men entered the hall, pasted labels on the tables, discolored the

frescoed walls, set fire to substances which filled the hall with smoke and offensive odors, and destroyed the stage scenery. This continued for fifteen days. Theiss purchased his mineral waters of Shultz. They threatened Shultz till he would not sell to Theiss. Ehret, a brewer, was called on and asked to refuse to sell beer to Theiss and to foreclose a mortgage on his place or be boycotted by the Knights of Labor. At this stage Ehret arranged for a meeting in his office between Theiss and his boycotters. The outcome was that Theiss finally yielded at every point. Then the boycotters said that they had incurred an expense of $1000 in pushing the boycott, printing circulars, paying fifty men and other expenses, and that Theiss must pay this amount. He paid it. When taken to court the men were found guilty and sentenced accordingly. 'We are told,' said the judge in this case, 'that it has been the custom to rob in that manner (by the boycott) and that such atrocities have been frequent in our midst.' "[8]

A peaceful attempt to persuade persons not to patronize an offending employer constitutes a primary boycott and is lawful in all States. Boycotting a third person because he does not boycott the employer you are fighting is legal in some States and illegal in others. The attempt to boycott Shultz, explained in the above paragraph, is a compound secondary boycott and is illegal in all States.

Picketing.—Picketing has been condemned by courts in Massachusetts, Illinois, Michigan, New Jersey, Oregon, Pennsylvania and Washington. "Peaceful picketing" is generally said to be lawful but the interpretation of the word "peaceful" varies widely.[9] Veiled threats and acts of physical violence are uniformly forbidden. The number of pickets is sometimes so large as to constitute intimidation in the opinion of the court.

Over the question of picketing the interests of the strikers come into the most direct clash with the doctrines of the court. The court insists on "peaceful" picketing. Yet that is the very kind of picketing which from the labor point of view is almost futile. Sometimes union men are taken to a strike-breaking job under false pretenses, and they are willing to quit as soon as they learn the real situation. But other strike-breakers are more of a menace to the standards of the strikers, and something more than peaceful means is necessary to stop them. In such cases intimidation, through sheer numbers or violence, is necessary from the point of view of the strikers, but there is where the court steps in. It is easy to see how the court balks the aims of the workers in given cases, but it is difficult to see how picketing as it is carried on into the field of coercing other workers can be permitted by the State. It seems that picketing by its nature must remain "peaceful," and if peaceful picketing does not succeed, then labor must seek to develop solidarity among workers which will cause men voluntarily to ignore offers from employers to take the place of striking employees.

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[8] Groat, "An Introduction to the Study of Organized Labor," page 249.

[9] Some States, notably New Jersey, hold peaceful picketing to be illegal on the ground that it interferes with property rights.

Legal position of employers.—What about the legal position of the employer in industrial relationships? His right to discharge, unlike the employees' right to strike, is absolute. The circulation of the names of workers among employers who agree not to re-hire certain discharged workers constitutes the working of the black list. There are statutes against blacklisting in some States, and on the whole it is used to a limited extent, largely because its use arouses the enmity of workers and the public and because employers themselves are divided as to the fairness of the device.

Status of law in England.—In England the policy is to allow both sides a free hand for a fair fight. It ignores the motives. What constitutes intimidation and violence is clearly defined by statute and not left wholly to the courts. Thus the English law has the merits of certainty and practicality.

England adopted this policy as a result of a situation very similar to the situation growing out of the Danbury Hatters Case and the Coronado Case in our own country. In the Taff Vale case damages of $200,000 were assessed against a union of railway workers on account of injury to the company's property through acts of violence during a strike. The labor unions and their champions secured the passage in 1906 of a trade disputes act which placed labor unions upon a position of equality with employers' associations, and distinguished both from combinations to control prices. The legal doctrine set forth was, that acts done by a combination, either of employers or employees "in contemplation or furtherance of a trade dispute" shall be lawful unless they would be unlawful if done by one person. Moreover such acts were not to be deemed unlawful because they interfere with one another's free access to the labor and commodity markets, or because they amount to a meddling by third parties with contractual rights. This nullified the law of conspiracy in labor disputes, and opened the way for the "fair fight." Definite provisions as to "unfair" practices were incorporated in the statute.

The label.—One of the devices employed by the unions to accomplish their ends has been the union label, an official mark granted to any manufacturer who employs union labor and enforces union standards throughout his plant. This device may be considered as a negative boycott; it seeks to strike the employer through his customers. Agitation is carried on to lead the purchasers of commodities to look for the union label. In spite of the great hopes originally expressed for the success of this policy, it has been of very little significance, although articles of very common use among union men, such as overalls or plug tobacco, sell to much greater advantage if they possess the union label.

Violence and the labor movement.—Blood and money have been lost in industrial disputes. The murder of strike-breakers by the unionists of Herrin, Illinois, stands out conspicuously in recent history. The dynamiting of the *Times* building in Los Angeles by the McNamara brothers was chargeable to labor warfare. Sluggers have been hired to intimidate prospective strike-breakers, to attack and beat them up, and to destroy their homes. Yellow paint has been daubed over houses newly painted by non-union labor, bombs have been planted in buildings erected by strike-breakers, bridges have been blown up and cars of strike-breakers have been fired upon. "Industrial warfare" is no idle name. Although one labor man has declared that "organized labor knows but one law, and that is the law of physical force, the law of the Huns and Vandals," none other than Eugene Debs has declared, "I am opposed to bloodshed in any form. I have never advocated violence in any form. I always believed in education, in intelligence, in enlightenment, and I have always made my appeal to the reason and to the conscience of the people." The great majority of labor disputes are attended by no acts of violence in any form, but occasionally they occur.

For our purpose, the statements of isolated leaders, either for or against violence, mean very much less than the human situations in which violence tends to appear. It is conspicuous among the building-trade workers and among the migratory workers; elsewhere it appears sporadically.

In brief, violence tends to appear where the workers are fighting a losing fight without it. If the ordinary processes of collective negotiation are denied and if workers feel keenly "their right," they may decide that no other recourse exists than the guerrilla strikes we have mentioned before. And when the sporadic strikes fail to improve the situation, it is but a step to open violence as a form of pressure.

Violence is first directed against the non-union men who attempt to take the jobs which the union men regard their own. When the mine operators at Herrin, Illinois, brought in a carload of strike-breakers to operate their mines contrary to the agreement, the situation invited violence, for the miners reasoned:—If the "scabs" took their jobs, was it not the complete ruin for those who owned homes and depended exclusively upon coal mining for a livelihood? It is easy to hate anybody who gets in our way, and when the intruding party stands between us and what we consider to be our just right, our conventional self-restraint is likely to snap. It did at Herrin, Illinois, in 1922 and men were murdered.

Sometimes violence against strike-breakers is non-effective in preventing the work from being done, and under such circumstances the destruction of property may become the objective of the dispossessed unionists. Thus iron-workers employed in the construction of bridges and buildings have dynamited the work done by non-union men, trying in this way to strike at a vulnerable spot. If a few "snakes" were killed in the process, it may be a matter of regret to some, but it is "good for them—they are willing to accept the conditions of work which the sacrifice of the union men had secured; and they refuse to share the burden.[10]"

Resort to violence is by no means the exclusive attribute of the workers. The employers whose property is threatened in critical situations have hesitated, no more than the workers, to fight fire with fire. In the McKee's Rocks strike (1909) it was widely claimed that troops were used to shoot down the strikers, that wells were poisoned by hired agents of the employers, and that ballot boxes were stuffed to elect company thugs to office. When the cause of the workers would be injured by breaches of the peace, the employers have sometimes provoked violence. Prostitutes were said to have been paid to pick quarrels with the pickets during the strike of the shirt-waist makers in New York City. Industrial spy companies frequently "make work" for themselves by breeding hatred in the working force. The following instructions to the agents of the Sherman Company related to operations in the steel mills of South Chicago:

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[10] See the illuminating study by Luke Grant for the U. S. Commission on Industrial Relations (1915), "The National Erectors' Association and the International Association of Bridge and Structural Iron Workers."

> "We want you to stir up as much bad feeling as you possibly can between the Italians and the Serbians. Spread data among the Serbians that the Italians are going back to work. Call up every question you can in reference to racial hatred between these two nationalities."

In another instance the police judge of a town involved in industrial trouble declared under oath that "had these thugs (private detectives and trouble-makers) been kept out of the city there would have been no trouble." A worker in the plant swore as follows:

> "That, at the time of the strike there were upwards of fifteen Russell men (labor spies) in the plant: That shortly after the strike was in progress, the Russell men, Ray Smith among them, continually urged the men to start trouble: That Ray Smith was particularly active in 'egging' on the men to 'clean up' anyone who went in: That they were used as spies, armed thugs, and gunmen for the purpose of harassing and annoying the strikers, breaking the morale of the strike and encouraging bloodshed for the purpose, I firmly believe, of prolonging their own employment."[11]

The counter offensive tactics of the employers and the workers lose the "original provocation" in the maze of subsequent grievances and difficulties. Each group builds up its stories of "atrocities" and unfair fighting methods. All of these things are merely symptoms of a "conflict" situation in which orderly methods of settlement have as yet failed of effect.

For Discussion

1. What is the difference between a conflict and an administrative group? Why is the union a conflict group?

2. Suppose the workers have an employer who pays them good wages and provides excellent working conditions. Should the workers organize? Discuss the various possible viewpoints of an employee of the plant, manager of the plant, union organizer.

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[11] From the report of Sidney Howard on the "Labor Spy" in the *New Republic*, February 16–March 30, 1921.

3. "The boss is good enough now; but wait until work gets slack." Would organization be justified on the ground which is here implied?

4. "The good employer has nothing to fear from the union; the bad employer ought to have." Comment.

5. "My workers don't need to organize. If any of them has a complaint, let him come direct to me and I will take care of it." Should this be satisfactory to the workers?

6. "I am always willing to talk over matters with one of my own employees, but I will not talk to anyone outside of my employ who purports to represent them." Is this the spirit of collective bargaining?

7. "The right to organize is necessary to even up the bargaining power of the employer and his men." Correct? Should the workers always have the right to organize?

9. "The employer calls in outsiders such as lawyers and experts to present his case. The workers have a right to do the same thing." Is this a true analogy?

10. "Governments abuse their powers, but we still have them because the good outweighs the evil. Unions may abuse their power, but they ought not be abolished." Is this a fair analogy?

11. "The employer was once omnipotent in his relations to his employees; today the employer has less power than he once had because the workers through organization have become more powerful." Is this true?

12. What were labor's most effective weapons in arriving at collective bargaining relations?

13. Distinguish the collective bargaining agreement from legislation.

14. "It isn't fair to have everybody work for the same wage." Is this the union policy?

15. Take up the "arguments" for the shortening of the working day and state the assumptions made by each. From a social point of view what are the determining considerations when such a problem is presented?

16. Distinguish between the arguments for the open and closed shop and set forth the assumptions of each. From a social point of view, again, what are the most important considerations involved?

17. Do the unions restrict output? Why?

18. Is output restriction ever desirable to save the health of the worker? To spread work?

19. "Over a long period of time the restriction of output is a wrong policy. But if you are working on the last job of the season, the short run is decisive." Is the injury very great to society? To the worker?

20. What are the matters which may be regarded at the present time as on the "frontier of control"? List the problems of a business manager and ask which policies are now regulated to some extent by collective bargaining.

21. "I have a right to run my business as I please. If the men organize and try to meddle with it, I'm going to bust the union." What is the origin of this alleged "right"? Might the workers allege a "right" to organize? What decides the content of these "rights"?

22. "If a man doesn't like the way I run my business, let him move on. He has no right to strike." Do you agree?

23. "Railroads are essential to the public. No worker has a right to strike and injure the public." True?

24. "If the public wants protection, let it see that the workers get a square deal." Is this an answer to the foregoing argument? Who is to decide whether or not the workers have a "square deal"?

25. "If the workers were wise they would never strike. It alienates the public." What about it?

26. "Heretofore the progress of the workers has been due to their coercive power on the industrial field. The public is becoming increasingly concerned with interferences with production. The labor group must seek new methods." Can you cite any facts to prove the statement?

27. Who pays the cost of strikes? How does the employer pay? The worker? The public?

28. Who benefits from strikes? Think of instances when a strike has been of advantage to the employer, the workers, the public.

29. What are the main causes of strikes? Do you expect strikes to increase or decrease in the next two years? The next twenty years?

30. Make a statement of the changing position of unions before the law.

31. "The boycott is open and fair. The blacklist is secret and unfair." Is this true?

32. If a strike and boycott is directed against a factory, is it proper to boycott the products of the businesses which attempt to supply the factory with raw materials? To declare a strike in those businesses?

33. Just what is "peaceful picketing"? Is it desirable? What are its disadvantages to the public?

34. Do you approve of the English principle of a "fair fight"? Discuss in detail.

35. What is the place of the label in union tactics?

36. What factors limit the success of the label?

37. Is violence ever justified?

38. Is violence, even though unjustified, to be regarded as a valuable symptom of maladjustment?

39. "The workers are by the nature of the case the aggressors. Every new social group which meets the stubborn opposition of an older social group must use violence." Is this sweeping conclusion justified in a community which has democratic suffrage?

40. Make a study of the policies of a union over a ten or twenty year period. What tendencies do you observe? Do you notice any regular cycle movements in their policy? What is the effect of a business depression? Rising prices?

For Investigation

Commons and Andrews: "Principles of Labor Legislation." Summarizes in compact form the legal position of the employee in modern society.

Hollander and Barnett: “Studies in Trade Unionism.”
Valuable original case studies.
Carlton, F. T.: “History and Problems of Organized Labor.”
A summary of the entire field.
Groat, G. G.: “Organized Labor in America.”
Useful material on collective bargaining especially.
Hunter, Robert: “Violence and the Labor Movement.’
An interpretation of the situation.

Chapter XIX

UNIONISM: AN APPRAISAL

Perhaps the most significant consequence of trade unionism has been the gradual limitation which it has succeeded in imposing upon the rights of property. To those to whom the phrase "rights of property" suggests some immutable and inelastic symbol of eternal justice, this conclusion will appear both alarming and incredible. Yet the most fundamental change which has been taking place in modern industrial society would be obscured if this fact were not emphasized.

The abolition of the Elizabethan restrictions upon the discretion of the managers of industry left them practically free to dictate the terms on which industry was to be conducted. The ownership of the machinery of production carried with it the practically unqualified right to hire and "fire," to prescribe the length of the working day, to set the rates of pay; in short, to manage business as the owner saw fit. Of course these rights have at no time been absolute. The freedom, for example, to maintain certain nuisances on one's premises has never been regarded or enforced as a right. But in so far as his relations with the workers were concerned the theory and practice was that the "master" has control over his "servants."

The workers were disabled in challenging the rights of management so long as they remained unorganized. Worker *A*, it is true, might refrain from accepting a job from employer *X*, or worker *A* might hunt for a better job than employer *X* gave him; thus, he could exercise an indirect influence over the policies adopted by the business manager. But the formal imposition of policies on behalf of the workers did not become possible until the workers joined for sustained collective action. Over against the "rights of management" the workers began to assert the "rights of labor."[1] They forced the managers of industry to consult them regarding a constantly widening range of business policies—wages, hours, discharge, sanitary and health measures, transfer from task to task, redistribution of tasks, and many more. Thus, regardless of the fact that a few employers still find it convenient to talk about the "right of the employer to manage his business as he pleases," the facts in some industries have long since outrun this particular word pattern.

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[1] Note the progress of Clothing Workers in Chapter 5.

The rights of the workers.—What are some of the "rights" which the workers have been asserting with increasing success against the "rights" of the owners? Sydney and Beatrice Webb have singled out the underlying "assumptions of trade unionism" as the rights for which the workers are contending somewhat as follows: First, there is the assumption of the right to a job. The worker comes to feel that he has a vested interest in the job which he holds, and he resents the attempt of anyone to change it by introducing machinery, or to step in and take it by underbidding him or by taking his place while he is on a strike. All of the policies designed to preserve the worker's job are traceable to this tacit assumption. Second, there is the right to control his labor power in the market. The law of "supply and demand" teaches that the limitation of supply strengthens bargaining power, and the worker through his organization acts upon the assumption that he has a right to control the disposal of his labor power in the market individually or collectively. Finally, there is the right to a living wage, an assumption which has grown up especially among the unskilled and the sympathizers with the unskilled. These groups are not so well situated for controlling their labor power in the market as the skilled, and the competition of new workers or a business depression may bring their income below the customary standard of life. Thus a demand grows up for the living wage.

In the days since the Webbs first made this analysis a new demand has found growing support in the ranks of labor. In a sense it represents a synthesis of the older "assumptions," but in its actual formulation it goes much further. It is the right of participation in management; a formula which implies that everything which concerns the business is of sufficient importance to the welfare of the worker to justify him in demanding a voice in its administration. The progress which is being made toward the realization of this right has been made clear in the revelation of the extent to which the manager's area of discretion has been limited, and the extent to which the manager is compelled to discuss business facts which formerly were looked upon as "private." Of course the actual equilibrium of rights is a wavering line which sags back and forth with the shifting balances of power between managers and workers. But the general tendency of unionism has been to press the line of the workers' rights far into the realm sacred to the owners of the tools of production. In this sense, it is the day by day efforts of the unions in whittling at the power of the managers which justifies the characterization of the trade unionists as the "real revolutionists" of modern society.

Undermining the accredited philosophies.—The foregoing discussion has concerned itself with pointing out the actual change in the balance of power between employers and workers. Here we are interested in the effect which this change has had upon the theories and watchwords of the labor groups. Trade unionism has steadily developed within its ranks a cynicism toward and a series of qualifications of established and accredited theories. While American workers, in particular, have been unresponsive to socialist formulas of the thorough-going kind, they have been provided, by constant reiteration, with a philosophy which is increasingly critical of the inherent justice or rightness of the established order. The glories of competition are freely admitted, but the value of government ownership of the railroads is insisted upon by some members of the working group. The existence of radical philosophies serves as an alternative to the accepted philosophies when unrest directs itself against any aspect of the present order. These radical philosophies serve to consolidate the self-consciousness of the workers.

The exaggeration of direct action.—The practices of trade unionism have contributed to the survival of non-political theories of social adjustment. The craft unionists have been able to get "a little more now" by means of the strike and the boycott. They are willing to scoff at political modes of settling disputes and to place a high value upon direct action, regardless of its accompanying disorder or inconvenience to the general public.

In a large part the emphasis upon the strike and the boycott has been a concession to the lack of class consciousness among the workers when they engage in politics. Were the workers to contemplate political action for the limitation of the traditional rights of the employer, they would immediately be confronted by the fact that a large number of those who are members of the "working class" possess philosophies similar to those of their employers which would make it difficult for all to cling together for the purpose of legally altering the essential character of the present industrial society. These very same persons who dissent will participate, however, in a strike for the recognition of union and for the extension of its power over the management of industry. Thus the trade unionists are accomplishing, by indirection, the very reconstruction which only the most radical and self-conscious would approve of seeking through political action.

In part, also, the reliance upon direct action is a product of the indifference of the groups in the community, outside of the labor groups, to the apparent necessities of the workers. This point of view is explicitly acknowledged in the following letter to the Chicago Tribune in the "vox pop" department:

"Chicago, September 17.—The real answer to the anti-strike argument is this: Since the public, that hazy and indefinite body of citizens supposed by every 'respectable' paper like the *Tribune* to be half-way between a union and a chamber of commerce, since the public does not insure a fair and adequate wage such as would enable the workingman to procure not only the essentials of life but also the refinements, such as university education for the children, then this public has no right to order the workers to remain at work if by a concerted walkout the workers may procure these advantages for themselves.

"The public knows in advance what industries are essential, that it cannot do without coal or transportation. Since this is true, the public should absolutely insure a just and adequate wage for all men employed in necessary industries. In the absence of such assistance the employees are compelled to take their own part, no one else appearing willing to do so, and the public must bear the consequences of its own negligence. The only time the public give a hang about the workmen of any industry is when they walk out, tying up some 'essential' industry, thus hitting the public in the bread basket.

"The employees of all industries know from bitter experience and only too well the crass materialism of the public. It was not the public that did away with sweatshops, starvation wages, child labor in its worst forms, and all of the other abuses that flourished before unionism. With such an example of selfishness before them, I cannot find the slightest ground for blaming strikers, who have become so because it has been made necessary for them to resort to extreme means or proceed at the old level.—Wesley McBride."

Self-respect and self-government.—The actual administration of trade unions has provided a training ground in self-government for millions of wage earners. The problems of finding competent men and weeding out the unreliable, the problems of securing an intelligent majority opinion—in short, all the problems of democratic organization, have appeared. In spite of the presence of indifference, bureaucracy, and corruption, the ability to organize and maintain huge associations for the achievement of common purposes represents no mean achievement.

The growing consciousness of their collective power and their advancing status in the community has served to increase the self-respect of the workers, and to furnish an outlet for the energies of the more gifted ones in the rank and file. This is brought out in the recollections of an old trade unionist presented in the story of the Danish labor movement:

> "As a rule the gifted ones went to the dogs (before the Unions came). For when a man has no opportunity to alter things, he naturally grows impatient, and then one fine day he begins to pour spirit on the flames in order to stop his mouth. There were just a few hungry men bawling at one another about something or other. * * * But then the Grand Master came forward and that was like a flash of light for all of us. For he could say to a nicety just where the shoe pinched, although he didn't belong to our class at all. Since that time there's been no need to go searching for the best people—they are always to be found in the movement."[2]

Unionism and wages.—If we attempt to appraise the effect of trade unionism upon such fairly objective facts as the movement of wages, we encounter the difficulties inherent in an extremely technical problem of measurement. A recent study[3] has endeavored to discover whether or not real wages have increased or decreased in the period 1890-1918 in the United States. The conclusions, in brief, are:

1. The purchasing power of an hour's wages was one fifth less in 1918 than it has been during the years 1890–1899.
2. The purchasing power of full-time weekly wages was nearly 30 per cent less than during the period 1890–1899.
3. The decreases were concentrated in the years 1907–1912 and 1916–1917.

This means that while the number of dollars which the workers received increased, the amount of commodities which could be purchased for these dollars diminished, and the worker is not relatively as well off as he was nearly thirty years ago.

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[2] M. A. Nexo, "Pelle the Conqueror," Volume II, page 105.

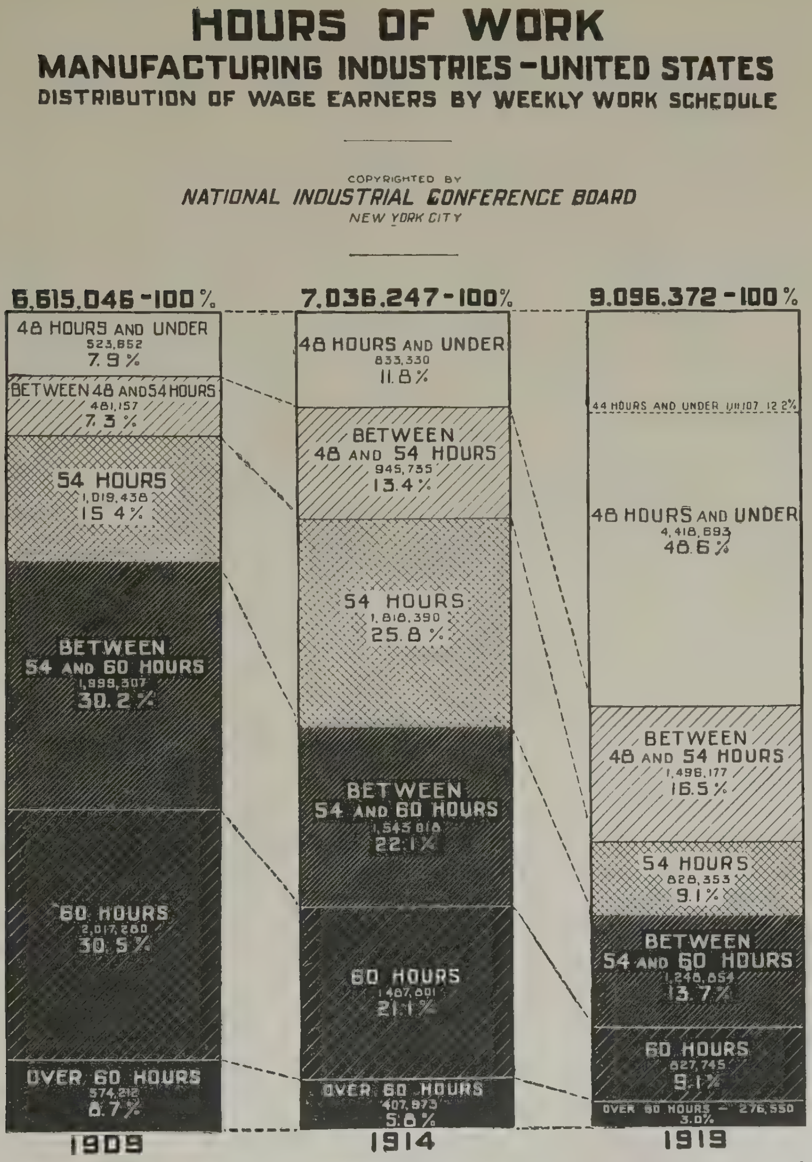
[3] See Chapter XV.

Does this mean that unions have failed and are actually losing ground with respect to earnings? These results are for workers who are in and out of unions, and it is difficult to estimate the actual effect which the organized workers have had. Indeed the answer may be that unionism has kept the workers from losing as much as they otherwise would. For it has been union organizations which have led the strikes and made the demands on the employers which have tended to force wage scales up; and these benefits probably have been reflected in the higher earnings of non-union areas, since non-union employers are forced to pay higher wages in order to keep an adequate labor supply. As we found in the discussion of the relation of the workers to the market, perfect competition does not exist because of the laborer's ignorance, his lack of waiting power, and the collective action of the employers. Combination by means of the union has helped to offset the laborer's loss from imperfect industrial competition.

If the term "real wages" were stretched to include all forms of income, including more sanitary and agreeable conditions, and shorter working days, the general testimony would be more conclusive that the unions have exerted a large degree of control. Nothing is quite so well established as the fact that the past century has seen a great reduction in the length of the work day and a vast improvement in working conditions. Organized labor has been the rallying point about which agitation for these changes centered.

Technical improvements and the business unit.—Among the miscellaneous effects of unionism there are many which permit of even less certain statement than the preceding. In the coal industry it is well established that the introduction of improved machinery was retarded by strong union control for many years; on the other hand, among the clothing workers the existence of large reserves of weak labor prolonged the period of hand production. In the steel industry the menace of unionism to the employers led to the extensive development of labor-saving machinery for the purpose of splitting up processes and rendering the industry less dependent upon skilled groups.

There is strong evidence in support of the proposition that unionism has accelerated the concentration movement in business. Workers" organizations have furnished a provocation



(SOURCE UNITED STATES CENSUS BUREAU)
CENSUS OF MANUFACTURES

THE GREAT INCREASE IN THE SHORTER WORK WEEK IN 1919 WAS DUE LARGELY TO CIRCUMSTANCES ARISING OUT OF THE WORLD WAR

NICB WALL CHART SERVICE – NO 23

Courtesy of the National Council Board for employers' combinations, and it is well known that the steel and allied corporations have increased the bargaining position of the employers very notably.

The future of unionism.—Rash indeed would be the prophet who would forecast social conditions in the economic field for the coming years. At best only a few trends can be observed which seem to offer every promise of continuing.

Unionism has come to be accepted as a permanent factor in modern industrial society. The inability of "open shop" campaigns to sweep the field of unionism has been demonstrated within the period of depression which set in during 1920. Labor has not been completely disrupted by a business cycle since 1873. Politicians are willing to avow in public their adherence to the "right of collective bargaining," and the unions are consulted by the Government on matters of industrial policy. All of this represents a vivid contrast to the ridicule, contempt, fear, and legal opposition with which unions were greeted when they first appeared capable of exercising power. In England, where unionism became a force to be reckoned with before it asserted itself in the United States, Dr. Thomas Arnold, Master of Rugby, wrote as late as 1834:

> "The disorders in our social state appear to me to continue unabated. You have heard, I doubt not of trades' unions, a fearful engine of mischief, ready to riot or assassinate, and I see no counteracting power." [4]

There is no reason to look for the dissolution of trade unions as long as the underlying situation out of which they appear remains a fact. Under machine industry the position of the worker and the owners is one of competition for the fruits of industry, and this situation of unstable equilibrium is already a matter of common knowledge. When the fact of competition becomes obvious it gives rise to "conflict" groups whose purposes are to redress any losses which they observe in the competitive equilibrium and to press any advantages which they can secure. The unions are the conflict group of the workers.

It is possible that the tactics of the labor unions may steadily change from the field of direct economic action to that of more definitely political action. We have already observed that the public in modern interdependent society evidences increasing impatience with the interruptions to the smooth functioning of life which are precipitated by strikes. The use of troops has been condoned repeatedly by the public, the wide extension of the judicial writ of injunction has been permitted, and there is a general demand for compulsory arbitration plans of varying colors. At the same time labor has some traditions of solidarity and, with years of education, it may rely upon political solidarity to an increasing degree. Conclusions of this kind are largely speculative, however, and proceed largely from the analogy of the development of the labor movement in England.

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[4] Cited by Lytton Strachey, "Eminent Victorians," page 224.

For Discussion

1. Illustrate the following proposition, "Rights tend to survive in language long after they have disappeared in substance."

2. On the basis of the progress of the "rights of labor" do you believe society changes by "catastrophes" or by "thousands of scattered skirmishes?"

3. How has the worker come to assert a "right to a job?"

4. Do you see any dangers from the recognition of such a vested interest as is suggested in question 3? Under what circumstances should such an absolute right be qualified?

5. "Society demands from industry the largest number of service units which can be produced with the resources in existence at any given time." Is this true? Must this not be qualified to indicate that society may be interested in the economy of human energy and desire leisure rather than production?

6. Indicate how your conclusion in the preceding question affects one's attitude toward the recognition of labor's "right to the control" of labor power.

7. Who is to decide what wage shall be regarded as "a living wage?" How is such an estimate actually arrived at in modern society?

8. Can you point to any specific progress which has been made toward participation in management?

9. Can you see any advantages or disadvantages to an organization of industry in which the representatives of the workers sit with the managers in settling production standards, meeting financial problems, and planning marketing campaigns?

10. "The workers of the world fought against autocracy in the World War, and they have come back to an autocratic industrial society." Do you at this point accept the inference that the workers should fight against the present organization of society?

11. "All this talk about autocratic industry is plain bunk spread by a lot of parlor pinks and Bolshevists. Anybody with the stuff in him can become an independent 'monarch' in modern society. In political society there could only be one king." Is this an adequate answer to the frequently repeated analogy of "industrial autocracy" to "political autocracy?" Is the statement relatively as true today as it was fifty years ago in the United States?

12. How do you explain the alleged "exaggeration of direct action" by trade unions?

13. Do you have a rational answer to the claim of the "Vox Pop" writer mentioned in the text that the public forfeits its rights in an industrial dispute by prior negligence?

14. "The most important advantage of trade unionism is really that it trains human beings in self-government." Develop this idea., How does it seem to affect the worker in his relation to the government?

15. "In order to run industry successfully the workers ought to know how to read a balance sheet, they ought to realize the importance of depreciation and a reserve fund for maintenance and expansion, they ought to be willing to select the efficient men and not the politicians for officers." Can you expand this list? What progress, if any, is being made toward these objectives?

16. Is it true that workers contribute by organization to society only discontent, prejudice against employers, and interruptions in production?

17. Of the workers who have come under observation do you find any who have very elaborate theories of the democratization of industry through the gradual encroachment of trade unions on the functions of management? How do you account for the situation you find?

18. Summarize the material which is available to you on the

relation of unionism and technical improvements and the size of the business unit.

19. Would union control of business necessarily stifle improvement?

20. "Labor unionism can come to be accepted as an inevitable part of modern industrial society." True?

21. How widespread is the fear in modern society which Dr. Arnold expressed with regard to unions? How can you explain the difference?

22. "One fallacy in dealing with social conditions is to suppose that conflict groups necessarily become administrative groups in the long run." Can you cite conflict groups in history which have remained conflict groups?

23. On the basis of the material presented thus far, write an answer to the question: What should be the attitude of the public toward trade unions?

For Investigation

Compare the theories of unionism developed by the various students previously cited in this text.

CHAPTER XX

CO-OPERATION

As a method of improving the worker's status, co-operation is founded upon principles quite different from those underlying trade unionism. Unionism among workers does not necessarily involve a philosophy which looks forward to the substitution of some other type of social mechanism for the capitalistic system. Trade unions may exist for collective bargaining and involve no plans for the administration of society by the workers. Trade unions might exist under a consumers' co-operative society in the sense that the immediate employees of a productive enterprise might be represented in their capacity as producers in the negotiation of conditions of work with the managers who are selected by the consumers. Co-operation involves some of the characteristic features of communism or socialism.

The four principal varieties of the co-operative movement are credit co-operation, distributors' co-operation, producers' co-operation, and consumers' co-operation. Of course any co-operative enterprise as it increases in magnitude is likely to involve a combination of these various phases.

Credit co-operation.—The most common illustration of this form of co-operation is the building-and-loan association. Such associations, however, have not arisen to meet the demands of a large proportion of the working population. They have been supported chiefly by small-salaried men and by a restricted group of skilled workers rather than by the mass of wage earners. The great majority of workers receive wages insufficient to permit them to make this form of investment. Insecurity of employment, the increasing cost of real estate and building material, together with the workman's distrust of an enterprise encouraged by employers, have tended to limit the scope of this form of credit co-operation.

Distributors' co-operation.—Even less than credit co-operation is distributors' co-operation to be regarded as primarily a working-class movement, except, of course, as it may be combined with producers' and consumers' co-operation. It is illustrated chiefly by the various organizations for the marketing of agricultural products. According to estimates the United States contained in 1919, 2000 co-operative cheese factories and 8000 co-operative creameries. About four-fifths of the citrus crop is believed to have been marketed by co-operative methods. Such associations, of course, have little to do with the labor movement. They are designed to eliminate the middle man and insure the farmer a fair price for his products.

Producers' co-operation.—One of the most democratic experiments in the industrial field is seen in producers' co-operation. This term is used to include those enterprises in which workers own and manage a productive enterprise. In a factory organized on the basis of pure productive co-operation, all the stock would be owned by the workers and each working stockholder would have one vote in the determination of the policy of management. Such a co-operative enterprise furnishes the best analogy, in the midst of a capitalistically organized society, of the workings of the socialistic state.

Unfortunately, however, producers' co-operation seldom continues to operate in this pure form. There seems to be an almost inevitable tendency for the ownership and control of such an enterprise, in case it survives at all, to pass into the hands of a small group who in motives and policies are practically indistinguishable from the large shareholders of an ordinary stock company. In the year 1900, for example, the spectacle makers of Paris had about fifty members, fifty "adherents" or candidates for membership and 1200 paid employees. Prosperity and the desire of the small controlling minority to dispose of the profits led to the disintegration of the enterprise. Producers' co-operation is regarded by many as almost a complete failure.

Consumers' co-operation in England.—By far the most important form of the co-operative movement is consumers' co-operation. The earliest successful enterprise of this sort seems to have been started by the weavers in Rochdale, England, in 1848. They defined their co-operative enterprise as follows:

"1. In the co-operative enterprise each member has one vote. All producers and consumers are entitled to be members, and capital does not vote.

"2. The wages or earnings of capital are fixed, like the wages of workers, and they do not exceed the usual legal interest rate.

"3. One-fourth of the net profits are held in the business for safety and growth, and the other three-fourths are distributed to the members in proportion to their volume of trade with the enterprise."

The following general rules of business safety were advised and practiced:

"1. Goods shall be sold at the current market price.

"2. All transactions shall be for cash.

"3. Societies federate with the neighboring societies or become established as branches.

"4. Every society shall teach co-operation."

Growth of Rochdale plan.—The wisdom of the Rochdale plan has been demonstrated in the remarkable success of the practice of co-operation in England. The selling of goods at the prevailing market rate simplified the problem of administration and diminished the opposition of small tradesmen. It also permitted the accumulation of a neat sum for distribution in a quarterly dividend and thus brought home in a vivid manner the advantages of the system. If the savings had been scattered over each piece of merchandise disposed of to the customer, the customer would frequently have been without any comparative standard for judging the benefits of the undertaking. The quarterly division of net earnings offered a strong inducement for workers to assume the small burden of buying a few shares of stock, and since the profits realized by a member were in proportion to the amount of goods purchased, a strong inducement was furnished to the member for restricting his trade to the co-operative store. The democratic character of the venture was safeguarded by the each-member-one-vote feature. The result of these well thought-out policies caused societies similar to the Rochdale organization to multiply rapidly, and the movement soon extended to wholesale as well as retail operations, and into such enterprises as co-operative housing schemes by which the societies build houses and rent or sell them to their members. At the end of 1920, membership in the societies affiliated with the Co-operative Union numbered 4,600,000. Computed on the basis of each membership representing a family, about one-half of the population of the United Kingdom participates in the movement. Over 20,000 persons were employed in 1920, approximately $150,000,000 was paid in salaries, and the total trade turnover was over

$2,000,000,000. The greatest growth in membership occurred during 1913–1920, the increase being 51 per cent.

During the War the British co-operative societies were important factors in controlling food prices. The wholesale stores are controlled by the retail stores, and the profits of the wholesale stores are divided among the retail stores just as the profits of the latter are distributed among the individual members. The wholesale societies conduct many factories, coal mines, and farms besides supplying their banking and insurance needs. It is the oft-repeated boast of the societies that they have never made a millionaire and they have never made a pauper, and that they have never been accused of unjustly raising prices.

The co-operative societies seem to make it a special point to care for the welfare of the employees. The Crumpsall biscuit works, for example, where more biscuit packets are turned out than in any other factory in the country, is claimed to allot each worker four or five times more space than is required by law. The eight-hour day and union wages are the rule, and special service and recreational facilities are provided for the employees. The Scottish Wholesale gives a certain bonus to its workers in proportion to its profits. Educational opportunities are provided for by the co-operatives for both members and employees.

The philosophy of the co-operative commonwealth.—The co-operative movement is so thoroughly established that it has had time to develop an elaborate series of creeds and hopes. There are various pictures of the future of society were it organized along co-operative lines which serve to emphasize the democratic features of the plan.[1]

Co-operation on the Continent.—In continental Europe, also, co-operation has had a striking development. In proportion to population Denmark has the strongest co-operative movement in the world. Italy, Switzerland, and Austria all possess flourishing co-operative societies. In the period from 1905 to 1918 the Russian associations have increased from 20,000 to 50,000, with a total membership of about 20,000,000. Many of the features of the English co-operative movement have been copied abroad, but Belgium, France, and Germany present some special features. In Belgium the movement is mixed with politics, so that the organization is a medium for socialistic instruction and propaganda. In France producers' co-operation has been tried out more extensively than elsewhere, resulting usually either in failure or in the development of undemocratic features. There has also been a tendency towards decentralization. French co-operative societies, however, rendered a considerable service in the War zone to protect the soldiers from profiteering. In Germany, in addition to co-operative societies of the Rochdale type, there has been an extensive development of credit societies.

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[1] Such a future is set forth in L. S. Woolf's "Co-operation and the Future Industry," beginning with page 125.

Co-operation in the United States.—As compared with the movement in England and in continental Europe, the co-operative movement in the United States has, until recent years, been surprisingly weak. Of the thousands of co-operative experiments which were made here, the greater number proved to be failures. A part of this failure is due to the fact that often the co-operative scheme was only one feature of movements which stressed quite different objects. Thus, there have been many religious societies, notably the Shakers, living under a co-operative system, which have gradually died out, not because of the failure of the economic element but through a falling off in the number of religious converts. Again the co-operative enterprise connected with the Knights of Labor came to an end with the failure of that labor movement in politics. The Civil War had a disastrous effect upon many of the co-operative stores which were flourishing in the fifties. Likewise the co-operative stores established by the Grangers were largely abandoned with the restoration of prosperity following the panic of 1873. Other reasons for the relative failure of co-operative ventures in the United States are found in inferior organization; lack of correlation through State or national conferences; the failure to develop wholesale branches and the consequent opposition to retail co-operatives on the part of commercial wholesalers; the competition of mail-order houses and of five-and-ten-cent stores; our comparatively high standard of living which has made us indifferent to petty saving; the American assumption that one man is as good as another which has militated against the careful selection of expert managers; and finally the mobility of population and extreme individuality of the American people.

During the last few years, however, the co-operative movement has made great progress in the United States. The movement seems to have spread from certain widely distributed centers. The labor unions have given vigorous support to the co-operative movement at San Francisco and Seattle. In Illinois the miners have insured the success of a group of co-operative stores. In the Dakotas co-operation is a part of the program of the Nonpartisan League. St. Paul is the center for the Co-operative Wholesale Society of America; the Finns have both retail and wholesale co-operative stores at Superior, Wisconsin, and at Fitchburg (Massachusetts); and New York is also a center for many co-operative societies. On a conservative estimate there are probably about 3000 consumers' societies in the United States doing a combined business of about $200,000,000 a year.

In size and method of organization, co-operative societies in the United States present considerable variations. Membership varies from 35 to 1700, the value of a share of stock from $5 to $100, interest on stock from nothing to ten per cent. But with all these divergencies there are several notable similarities. In practically all the societies membership is open, each stockholder has one vote and no more, and goods are sold at the prevailing market price, with dividends returned to the members not in proportion to the number of shares held but to the size of the purchases made.

The prospects for a continued expansion of the co-operative movement in the United States seem to be reasonably assured. Most of the factors which interfered with the earlier movements are absent in the more recent ventures. Co-operation is no longer associated with religious colonies or with sporadic labor movements like that of the Knights of Labor. Methods of organization are now similar to those of the successful societies in England, and retail stores are finding protection in the growth of wholesale co-operative enterprises. With the passing of the frontier there are fewer movements in population to interfere with the permanency of local constituency. The undoubted growth of class-consciousness, which has accompanied the development of labor unions, is modifying the traditional American spirit of extreme individualism. Likewise the revolt of the agrarian population against the dominance of the urban financier and the tendencies toward and an alignment between the farmer and the laborer seem to favor the growth of the co-operative movement. And though other factors, such as the competition of five-and ten-cent stores, remain unchanged in the recent situation, it is probable that with the experience now gained in co-operative enterprises the desire on the part of the worker to share in the profits of business, and thus to conserve the gains which he has made through increased wages, will foster the growth of the co-operative movement in the United States.

For Discussion

1. What are the purposes of co-operation? To what purpose would you give first consideration?

2. Some people have attempted to define the immediate goal of co-operation in contrast to its ultimate goal? What seems to be its immediate goal? Its ultimate goal?

3. When did the Rochdale co-operators launch their movement? How do you account for the movement taking place at the time it did?

4. "In periods of industrial depression people tend to turn to co-operation for the solution of their ills." Why?

5. Describe the operation of the Rochdale plan in terms of (a) eligibility to membership (b) purchase of shares (c) right to dividends (d) voting power (e) price policies (f) operating costs.

6. How do you account for the little progress co-operation has made in the United States?

7. Why is the loyalty of women necessary to the success of the co-operative movement?

8. What is wrong with a plan of co-operation which pays dividends on the basis of the number of shares held? With stock which is sold on representations that the buyer will profit through an increase in its value?

9. "Without co-operation the gains achieved through collective bargaining are likely to be more obvious than real." How might co-operation, if successful, clinch the gains made through collective bargaining?

10. Why has co-operation commonly failed when tried in the United States?

11. What groups in the United States have been the more

ardent advocates of co-operation? How do you account for your answer?

12. "The challenge of co-operation to capitalism is just as fundamental as the most militant of union tactics." How does co-operation challenge the fundamentals of capitalism?

13. "Co-operation works for the peaceful revolution." Discuss.

14. This text does nothing more than mention producers' co-operation, distributors' co-operation, and co-operative banking and credit. Make certain that you understand the significance of these developments in the field of co-operation.

15. Should credit be extended by a co-operative store to its members in time of strikes, unemployment, or sickness?

16. The English co-operatives distribute most of their surplus among the members according to purchases made, whereas the Belgian co-operatives use a large part of their surplus for educational work and labor propaganda. Which policy is the wiser one to adopt?

17. Try to sketch the future of a society organized along co-operative lines throughout. How would the amount of coal to be mined in a year be determined? How would a wage-scale be set? How could a novelty like the radio-phone be developed and introduced?

18. "The chain store puts an end to the possibility of the growth of co-operation in the United States." What are the assumptions in this statement? Are they sound?

19. "If the workers had spent the money and energy on the co-operative movement that they have wasted on unionism, capitalistic society would have been transformed long ago." As a worker what would your attitude be toward this proposition?

20. "Co-operation gives everybody a practical industrial education. The importance of allowing for depreciation and expansion is brought home to each one. Unionism is purely destructive and does not train the workers for the control of industry." Discuss.

21. Work out as many contrasts between unionism and

co-operation as you can. Which is the sounder policy for the workers to adopt? Do they supplement one another and should they therefore, be developed simultaneously?

22. "The reason the co-operative societies seem to succeed is that they are kept efficient by the competition of private business." Is this at all plausible?

23. "Labor problems would still exist in slightly modified form under the most thorough co-operative commonwealth." Expand this statement.

24. "Unions would be as necessary in a co-operative society." Is this statement correct?

25. "Producers' co-operation is a more fundamental ideal than consumers' co-operation." Why, or why not?

26. Which elements in the United States have favored and which have opposed co-operation?

27. Would a co-operative society permit the development of such undeveloped countries as Mexico and China?

28. One student of co-operation declares: (a) co-operative movements indicate the practical possibilities of mutual interest, (b) they reveal the determination of the wage earner to control production and distribution, (c) they demonstrate the wisdom and sanity of peaceful, deliberate, and constructive action, and (d) they show that with the right type of leadership industrial workers can organize and conduct business successfully. Do these generalizations appear to be well taken?

For Investigation

Sonnichsen, A.: "Consumers' Co-operation."
This is a recent summary of the movement.

Gide, Charles: "Les Societies Co-operatives de Consommation," third edition.
The standard treatise on co-operation by a distinguished French economist.

Woolf, L. S.: "Co-operation and the Future of Industry."
A popularization and survey of co-operation in England.

Report of Fabian Research Committee on "Consumers' Co-operation," published in the New Statesman, May 30, 1914.

Publications of the Co-operative League of America. 167 West Twelfth Street, New York City.

Annual Reports, Co-operative Wholesale Society, England.

Publications of the International Co-operative Alliance.

The foregoing materials represent sources of valuable current material on the progress of co-operation.

CHAPTER XXI

POLITICAL ACTION

The American Federation of Labor policy.—The official policy of the American Federation of Labor on political matters is summed up in the famous slogan, "Reward your friends, defeat your enemies." In accordance with this slogan laboring men are urged to ignore party lines and to support the man, be he Republican or Democrat, who pledges his support of labor and has shown by his record a willingness to advance the issues in which labor is interested.

It has been repeatedly emphasized that a theory of action cannot be understood apart from the conditions which produced that theory of action, and so we must inquire into the situation out of which the A. F. of L. political philosophy came, and in which it has persisted. When the A. F. of L. took the leadership away from its rival, the Knights of Labor, during the late eighties, the workers were helped by a period of business revival in which it was possible for the strike to secure immediate, substantial concessions. The rank and file felt that little or nothing could be gained from mixing in politics, in fact, it was widely claimed that the Knights of Labor was badly split by internal quarrels raised by its attempt to dabble in politics. For many years, therefore, the A. F. of L. avoided politics and, except for a brief period in 1894 when a panic hampered direct economic action, the policy of political non-interference was adopted, at least as the official policy.

Moreover, an historic struggle between Adolph Strasser, Gompers, and others with the purely political socialists jockeyed Gompers and his followers into the position of unalterably opposing independent political action. Thus American labor policy differed from that pursued by labor leaders abroad.

Circumstances since the eighties, however, have forced labor to pay more attention to the government as an agency which can be used both to attain and to thwart the direct economic tactics of the trade unions. The A. F. of L., in one of its own pamphlets, tells the following story of how other organizations have attempted to use the government to attain their objectives at the cost of labor organization:

> "The National Association of Manufacturers, in addition to fighting organized labor in the economic field, maintained a powerful, corrupt lobby at Washington, to defeat all legislation in the interests of wage earners. Members of the judiciary had developed the practice of using writs of injunction, intended to protect property interests only, to defeat movements among the workers to secure better conditions of work and higher wages by means of strikes. In order to secure co-operation in a strike movement it is necessary to communicate the causes and purposes of the strike to fellow-workers and the public. Injunctions issued in industrial disputes contained prohibitions which deprived workers of their constitutional rights as free citizens, including the right of free speech, free press, the right of peaceful assemblage, the right to walk on highways and thoroughfares as well as other rights accorded them by law.
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> "Antitrust legislation was interpreted to apply to associations of workers—an interpretation which threatened the very existence of organized labor. According to this interpretation which was endorsed by the United States Supreme Court, successful labor unions were illegal and constituted conspiracies under trust legislation, and wage earners were classified in the same category with the products of the soil. The hostile attitude of the courts made it imperative that immediate relief should be secured through the amendment or repeal of antitrust laws and through regulation and limitation of the use of the writ of injunction.
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> "Militant employers, inimical to organized labor, organized the National Council of Industrial Defense and the Antiboycott Association to harass labor organizations through litigation."[1]

In 1906 it was thought necessary to take some political action, and a conference of the officers of the affiliated unions within the American Federation of Labor drew up what was called Labor's Bill of Grievances, and presented the bill to President Roosevelt, the president pro tem. of the Senate, and to the Speaker of the House with the intimation that failure to remedy these grievances would compel labor to appeal to the people. In this bill the A. F. of L. demanded that the government enforce the eight-hour day in Federal employments, that labor be protected through the restriction of immigration, that labor be removed from the operation of the antitrust laws, and that pending seamen's legislation should be passed.

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[1] "Legislative Achievement of the A. F. of L.," 1920.

When no attention was paid to these demands, the A. F. of L. went into the congressional campaign of 1906 to elect the friends of labor and to defeat its enemies. Neither political party was endorsed, but men were supported who were the most favorable to labor. Six union men with union cards in their pockets were elected to Congress, the majorities of some hostile candidates were reduced, and contacts were built up in Washington which were the basis of a labor lobby, a lobby which has continued with various degrees of success up to the present time. Once started it was only natural, perhaps, that the A. F. of L. should attempt to influence political parties before candidates for office were nominated. Thus in 1908 labor "questioned" the conventions of the two parties. The Democrats made a bid for the labor vote by adopting the demands of labor as part of the party platform. Since the Democrats lost the election nothing was achieved. In 1912 a split in the Republican party put the Democrats in power. Of the labor demands, a few were met. A Department of Labor was installed in the Federal Government, a law was passed, the Clayton Act, which labor thought exempted it from the operation of the antitrust laws, and a jury trial was provided for in those contempt cases concerning matters which took place beyond the presence of the court or its direct agent. These and other measures which embodied some of labor's demands were claimed by the A. F. of L. to justify its non-partisan policy; but since many influential private organizations had been working, for the same ends for many years such a claim, if unqualified, is not wholly tenable.

In many respects, however, the Clayton law has proved a bitter disappointment to organized labor. By the interpretation of the Supreme Court in at least five important cases, it has been established that the law did not substantially change the legal status of labor organizations, that what was unlawful for a union to do prior to the Clayton law is still unlawful, and that the only provisions that are of any real benefit to labor are those of a mere procedural character. Thus the provisions that unions *per se* are exempt from the antitrust laws has been held by the Supreme Court to mean that unincorporated associations are not in themselves unlawful conspiracies in restraint of trade, but they may still be held for what they do in restraint of trade. Since unions *per se* had never been considered illegal combinations, but have been prosecuted only for what they did, the exemption under the Clayton law as interpreted by the courts appears to be rather an empty phrase. Likewise the prohibition against the issuance of injunctions in labor disputes, "unless immediate and irreparable injury to a property right" would result, has been held by the courts to mean little or nothing. Business is a property right, according to the reasoning of the supreme court, and an injunction can be issued to protect the property right that an employer has in his business. The court has also held that the intent to restrain interstate commerce or an appreciable reduction in the number of commodities crossing a State line as a result of a strike or boycott is cause for action under the antitrust laws; the provisions of the Clayton law that unions *per se* are not unlawful combinations in restraint of trade avails labor naught.[2]

Political issues.—Following is the reconstruction program of the A. F. of L.

American Federation of Labor Reconstruction Program (Digest)

1. Right of organization.
2. High wages in order to avoid underconsumption and the consequent unemployment.
3. A living wage—"a wage which will enable the worker and his family to live in health and comfort, provide a competence for illness and old age, and afford to all the opportunity of cultivating the best that is within mankind."
4. Eight-hour day, five-and-one-half-day week.
5. Equal pay for equal work for women.
6. No children employed below sixteen years of age.
7. The right of public employees to organize and bargain collectively.
8. Co-operative enterprises encouraged.
9. Re-enactment sufficient to override Supreme Court's declaration that a law is unconstitutional.
10. Continue A. F. of L. political policy.
11. Public ownership of utilities.
12. Public development of waterpower.
13. Regulation of land ownership.
14. Federal and State regulation of corporations.
15. Freedom of expression and association.
16. Workmen's compensation.
17. Immigration.

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[2] The cases to which reference is made are: American Steel Foundaries *vs.* Tri-City Central Trades Council, 42 Sup. Ct. 72; Truax *vs.* Corrigan, 42 Sup. Ct. 124; Hitchman Coal and Coke Co. *vs.* Mitchell, 38 sup. Ct. 63; Duplex Printing Press *vs.* Dean, 254 U. S. 443; United Mine Workers of America *vs.* Coronado Coal Co., 259 U. S., 344.

18. Progressive taxation on income, inheritances, and land values.
19. Free public education and the right of teachers to organize.
20. Prohibit private employment agencies operated for a profit.
21. Better housing program, government houses if necessary.
22. Abolition of militarism.
23. Special care for soldiers and sailors.

Note—The program of the Labor Parties contained in the main the same provisions, occasionally in more specific form as when the Declaration of Principles made by the Labor Party of America (1919) advocated the Plum plan of railroad ownership and operation.

Issues compared.—It is interesting to compare the demands in the program above with the issues with which labor concerned in the State campaigns of 1828. Labor demanded at that time a ten-hour day, the restriction of child labor, the abolition of the old practice of hiring convicts out to contractors in competition with honest and law-abiding workmen, free and equal public education, the abolition of imprisonment for debt, the exemption of wages and tools from seizure for debt, the establishment of the right of mechanics to file liens on property to secure payment of their wages, and the abolition of sweat shops in homes and factories. Frequently, the local labor parties added to this list such general social reforms as temperance, the abolition of lotteries, the abolition of capital punishment, the adoption of cheaper and simpler procedure in the law courts, the abolition of monopolies, the prohibition of private banks empowered to issue paper currency, the abolition of compulsory militia service, the establishment of the right of the militiamen to elect their own officers, votes for women, and in many cases the adoption of free trade as opposed to protection. Some of these early aims have been achieved, but these have, in the opinion of many people, been those policies which demonstrated themselves as genuinely efficient or which were approved by a more active social conscience possessed by the community as a whole. Undoubtedly the advancing efficiency of industry has made it feasible to think of an eight-hour day and has done as much to bring it about as the demands of labor, enforced by the threat of the ballot.

Opportunism of American labor.—The policy of American laborers has been opportunistic because they have found themselves in a situation in which they have been able to secure sufficient tangible results by direct economic action. If the workers have wanted results, they have commonly sought not politics but generally a local strike, expecting to achieve their ends by causing the employer to fear the loss of his customers while tied up with labor troubles. The more remote and generalized programs have never seriously interested extensive labor groups. From the standpoint of union officials, moreover, a step into politics, as a demand for a general minimum wage for all industry, for example, would tend to weaken the union organization, since the workers would come to regard the economic action of the union as bringing them less than political action.

Behind everything is the fact that the workers of the United States, it should be pointed out, have a traditional philosophy of independence from government which is the contribution of the revolutionary-agrarian period in American history. The self-sufficient farmer was always willing to support the slogan "No taxation without representation," not so much because it involved a denial of participation, but because representation would give him a chance to oppose taxes. For the government was an unnecessary luxury in the days when lives were circumscribed in self-sufficient farming communities. The traditional formulas of individualism still survive with reference to wages and hours of work because the workers have not been called upon to reconsider their methods.

This individualistic tradition and the policies based upon it fit in, however, with certain other aspects of the worker's situation. There are some groups in the wage-earning population who occupy a handicapped position with respect to wages and hours and general conditions. Notable among these groups are the women, children, seamen, and government employees, By long practice the seamen are deprived of rights long possessed by landsmen, and the employees of the government are forbidden the right to strike. Poorly paid women and children have frequently threatened the standards of the craftsman, and he has been confronted with the necessity of controlling the situation. Liberal thinkers in the community have recognized the needs of the handicapped groups and have secured some support from wage workers in agitating for community-wide standards enforced by political authority to cope with the revealed conditions.

Thus the workers have at times modified their "individualism" when such a formula failed to meet the actual problems with which they were confronted. And more modification may be expected as new conditions arise. The ordinary processes of collective bargaining not only failed to provide for such handicapped groups as those treated in the preceding paragraph, but such processes failed to secure certain working conditions of importance to the workers. Matters of safety, health, and unemployment assistance required more general treatment than was feasible between employers and workers. The use of troops in time of strike, the issuing of injunctions by the courts, the abolition of the competition of convict labor, and the development of barriers to cheap immigrant labor were all matters whose scope led the workers to favor government intervention.

To these matters were added from time to time general declarations on social policy, such as universal education, abolition of war, and the League of Nations, but such programs have figured chiefly in the speeches of leaders, and have cut a very negligible figure in the minds of the rank and file.

Beside the strong individualism of the American worker, two other factors account for his apparent indifference toward political action; (1) the feeling that there are definite limits to what can be accomplished by laws, and (2) the possibility of other approaches than through recourse to politics if present methods and collective bargaining are driven to the wall.

It is common to hear such remarks as, "you cannot make men good by law," and likewise, "There ought to be a law forbidding that." These are but expressions of pious wishes, yet somewhere between the two points lies a philosophy of the proper scope of State interference. No one believes law can accomplish all, few there are but believe that something can be accomplished through law.

The worker, like all of us, has but a vague, ill-defined idea of what the limits are, but in particular situations he feels there are limits. Just how far he leans toward the one side rather than the other depends to a great degree upon his local experience. If the individual was born and reared in Germany he may conceive of the State accomplishing much to ameliorate his lot in life. If he is a striking shopman, he has observed Harry Daugherty, as Attorney General of the United States, taking out an injunction which helps break his strike. If he has met U. S. troops or State constabulary under trying conditions, and if he is one who feels that in the Clayton Act labor was "handed a gold brick," he is likely to feel disgusted with all that smacks of government and politics. A vague feeling of futility is his response to those who agitate that labor go into politics. Things can't be worked out that way.

The steps that are open to workers to accomplish their goals, other than through politics, if present methods fail, are many and speculative. One big union, shop committees, syndicalism, guild socialism—a dozen "isms," achieved by direct action, a dozen compromises arranged between workers and employer's are within the possibilities of the future. To go in for political action is to take one of the many avenues that are opening before labor.

Labor as the third party in politics.—Although the workers of the United States have never wholly agreed upon organizing a third party in politics, the election of 1920 found a Farmer-Labor candidate in the field in the person of Parley Christensen, a Utah lawyer. The events leading up to his nomination are worth considering.

The same party which passed the Clayton Act sought the injunction to stop the miners in 1919. The same administration which fostered labor's demands in 1913, opposed the organization of government employees. The Supreme Court had affirmed the Hitchman Coal Company decision that the employer had valuable property in the continued tendency of workers to remain at work in the absence of the effort of union representatives to organize a union, and that an injunction could be issued to protect him from the activities of organizers.

Labor's importance and power had been stressed during the War, and an example of aggressive action had been set by the British Labor Party. By some the situation seemed to warrant more drastic action than the time-honored policy of the A. F. of L. which was derided as barren and of little real advantage to labor. But let a partisan paper speak:

"Reference to the proceedings of the A. F. of L. convention of 1906 betrays that the list of labor grievances complained of by Mr. Gompers then was the following: 1. Ineffectiveness of the eight-hour law; 2. Prison labor abuses; 3. Immigration abuses to the detriment of labor; 4. Involuntary servitude for seamen; 5. Perversion of the antitrust and interstate commerce laws; 6. Misuse of injunctions; 7. Hostile personnel of the committee of labor in the House of Representatives; 8. Denial of the rights of citizenship to Federal employees.

"You will find every one of these grievances repeated in the protestations of the A. F. of L. convention at Atlantic City in 1919, after *fourteen years*. The only one that would seem to be adjusted is the seamen's grievance, but it still exists because it has been defeated by the methods of administration."[3]

Pressure within the A. F. of L. for entrance into politics as a third party became very real. The argument against the third party is given often and earnestly by Mr. Gompers and the old-line unionists. In a letter in 1920 written to a critic of the A. F. of L. policy he stated:

> "History is strewn with the records of labor party fallacies. It is surprising that these wrecks are so soon forgotten by men in the labor movement. In 1872 a national labor organization nominated a candidate for president and never held another meeting. In the various States and cities labor parties have launched campaigns and nominated candidates, but the record of these shows a steady decline in every case after the initial enthusiasm was expended. Their only achievement has been to divide the vote of the workers, thus giving direct assistance to the candidates most unfavorable to labor. The largest number of union men ever seated in Congress at one time was nineteen. From this it will be seen that the legislative enactments favorable to labor have been the result of work done and votes cast by friends of labor."[4]

Despite Mr. Gompers and the opposition of many organized workers, an attempt to form a third party was made by certain labor groups uniting with certain radical farmers' organizations and "liberal" groups, which advocated government ownership of certain public utilities and control over natural resources; the whole movement crystallized in the so-called Farmer-Labor Party of 1920, which was swamped in the election of that year. The rank of file of organized labor apparently did what it has always done, voted with one of the two major parties.

Political solidarity.—This failure to establish a separate political movement has been due to the partisan and personal divisions in the rank and file of the wage earners. Like all other voters, the workers are actually influenced by a host of circumstances which may be entirely irrelevant to their economic interests. Patrick votes for Timothy because "he's a good fellow" and an Irishman; Abraham votes for Cohen because "he's a good fellow" and a son of Israel. Adams may get the worker's vote merely because his name is at the head of the ballot, or because it sounds like an American name. Harding may get the worker's vote because Christensen "hasn't got a chance in the world" and the worker wants his vote to "count." A particular worker may have a soft spot in his heart for Bryan, because Bryan patted him on the head at a reception when he was a lad. A worker may vote the Republican ticket because the Republican representative secured a post office for the district and put the inhabitants under obligation to the "Grand Old Party." Some may vote for Harding simply because he's *not* Wilson, and against Taft because it is rumored that he's not a Protestant.

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[3] Adapted from *The New Majority* (Chicago), February 28, 1920.

[4] Adapted from a letter published in the *American Federationist*, 1920, page 333.

Important and typical as these influences are in the determination of the voter's behavior, it must not be supposed that the political process is an aimless one. The leaders of various institutional groups—bankers, manufacturers, importers, and others—are continually defining the government policy which is desirable from their point of view, and exerting their power at the strategic points to control the situation by playing upon the personal, party, and locality prejudices of the amorphous mass of voters. When the leaders of labor are able to define the issue and enlist the support of the worker's prejudices about their projects, they will achieve their political objectives. Unrest has not been sufficiently widespread to precipitate a break with labor's general social habits and to dissolve the petty irrelevancies which prevent common action.

An important consequence of labor's unwillingness to undertake thorough-going schemes of social reconstruction has been the isolation of the intellectual from the movement.

> " 'It is precisely in political activity,' writes Professor Perlman, 'where the intellectual is most at home. The clear-cut logic and symmetry of political platforms based on general theories, the broad vistas which it may be made to encompass, and lastly the opportunity for eloquent self-expression offered by parliamentary debates, all taken together exert a powerful attraction for the intellectualized mind. Contrast with this the prosaic humdrum work of a trade union leader, the incessant wrangling over "small" details and "petty" grievances, and the case becomes exceedingly clear. The mind of the typical intellectual is too generalized to be lured by any such alternative. He is out of patience with mere amelioration, even though it may mean much in terms of human happiness to the worker and his family.' "[5]

Socialism as a political expression.—On the continent of Europe the Socialist party usually represents the labor movement, but in the United States Socialism has made little headway. Socialist agitation in America began in the late forties and fifties when German workingmen fled to this country after the disastrous revolution of 1848. After long agitation a Social Democratic Party was organized in 1874 but no progress was made. The party has been organized repeatedly and has split repeatedly into many branches, but it is kept alive by a small group of theorists. The lack of success of the socialist parties has apparently been due to the fact that they attempted to apply the formulas of European origin to a situation in which those formulas were of little meaning. The "class struggle" idea has little significance to the average American. The Socialists have persistently refused to submerge the identity of their party in a general labor party, and this has been one of the forces working to keep the labor vote divided. The constant preaching of socialist doctrine has without doubt sharpened the group consciousness of American workers, and when they do feel economic conditions pressing upon them, it is but natural that they should express themselves in the ready-made phrases of socialism and talk of "capitalistic exploitation" and urge "government ownership of the tools of production." From a political point of view the very term "Socialist" is a poor asset, because it has been stigmatized in the minds of so many Americans as something foreign, dangerous, and disagreeable.

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[5] "Trade Unionism in the United States," page 292.

Certain minority parties of a similarly "panacea type" have come into being and have struggled to maintain a separate existence in the face of all odds. The Single Tax Party attempts to accomplish social reconstruction by advocating a single tax on land as the source of government income, the theory being that all monopoly differences are due to surplus land values created by society as a whole and which are unfairly enjoyed by lucky individuals. Other parties occupying a place in history of fairly recent times are the "Greenbackers" and Populists.

The voting strength of these protesting groups in various elections is revealed by the table on page 399.

The future of political action.—No one can pretend to foretell the future, but it is possible to indicate some forces which seem to be at work. It has been pointed out repeatedly that modern industrial society is growing more interdependent, and that more and more people are concerned over a threatened stoppage of work. The general public, even including workers in other lines, is always anxious to stop a railroad strike because

Labor Party Vote for President

Year	*Candidate*	*Party*	*Popular Vote*	*Per cent of Total Vote*
1888	Streeter	Union Labor	146,897	1.29
1888	Cowdrey	United Labor	2,808	.02
1892	Wing	Socialist	21,164	.19
1896	Matchett	Socialist Labor	36,454	.27
1900	Debs	Socialist Democrat	94,768	.67
1900	Malloney	Socialist Labor	32,768	.23
1904	Debs	Socialist	402,460	2.98
1904	Corregan	Socialist Labor	33,724	.25
1908	Debs	Socialist	420,820	2.83
1908	Gilhaus	Socialist Labor	13,825	.10
1912	Debs	Socialist	897,011	5.97
1912	Reimer	Socialist Labor	29,079	.20
1916	Benson	Socialist	585,113	3.16
1916	Reimer	Socialist Labor	13,403	.07
1920	Debs	Socialist	919,799	3.47
1920	Christensen	Farmer Labor	26,541	.10
1920	Cox	Socialist Labor	31,175	.12

its own interests are so immediately involved. Employers are becoming better organized to press legal action against the workers. This opposition together with the progressive limitation of industrial opportunity tends to strengthen the solidarity (class consciousness) of labor. As a result it becomes easier to unite the workers for the purpose of pursuing the remote ends to be gained through political activity.

The significance of the various counter movements against labor is that they progressively limit the effectiveness of the strike and boycott in securing gains for the workers. Professor Carlton has expressed it thus:

> "When the laboring men are convinced that immediate results cannot be obtained through trade-union action, they will adopt new policies and emphasize new ideals, but as long as their union can raise their wages and improve working conditions, they will be content to vote the old party ticket."[6]

It may be that labor will use its political power merely to strengthen its economic position by striving to limit the injunction and to forestall the effective use of militia in industrial disputes. The policy of government ownership of utilities is by no means unanimously agreed to by the workers themselves, because to many it would mean but the substitution of one employer for several, with the chances that it would be rather awkward to strike against the government. There is difficulty in securing agreement among the various labor groups on the political objectives of labor.

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[6] Carlton, "History and Problems of Organized Labor," 1922, page 544.

As for combination with the farmers, it has frequently been argued that common action cannot go far because the interests of farmers and wage earners are apparently antagonistic at so many points. The farmers, for example, are inclined to oppose high wages and short hours for city workers probably because they feel they must pay the bill in the prices of clothes, farm machinery, and transportation.

If labor were to become, in the United States, an important "third party," it is possible that the two older parties would bury the hatchet and fight against the invader. This has happened in certain States where, from time to time, a radical economic program has been projected from agrarian or labor sources. The old parties combined against Greenbackism, Populism, and the program of the Non-Partisan League. In various cities the same phenomenon has appeared when the Socialists have come into power. A not impossible program might aim at organizing the political strength of workers into a small but compact party which could hold the balance of power between older parties, and it is possible that this will come when the present leadership of the American Federation of Labor is superseded.

Little, therefore, can be said with confidence at the present time except (1) that political action seems to be on the increase in order to remove some of the restrictions on the economic weapons of labor, and (2) that action on the political field will probably not cause an immediate diminution in the use of direct industrial action which seems to yield tangible gains in terms of wages, hours, and general conditions of work.

For Discussion

1. "A separate party is the policy of a radical group; bi-partisanship is the policy of a reformist group." Explain and criticise.

2. "The trouble with the American worker is that he is contented. He doesn't see that his security is ultimately threatened by the order under which he works." Discuss.

3. "The old parties are simply job holders or job wishers plus a tradition. When labor puts up a real issue, they combine." What evidence can be brought in support of this observation?

4. "After all, the way to get an aggressive labor party is to make the American wage earners miserable. The 'friend' of labor who works for temporary reforms is an enemy in disguise." Does this seem correct?

5. "Bipartisanship has been of no advantage to labor. Nothing important has been accomplished by it, and everything which it usually claims was secured by the women's clubs, the liberal editors, and the liberal thinkers generally." Was this true of child labor? Public education? Look into the history of these movements.

6. "Politics waste the energy of the labor movement in hot air. Violence and strikes keep the workers alive to the fact that they are in a battle for domination." Who probably believes this way? Why?

7. Under what circumstances would you expect to get a separate party movement by the workers?

8. Why did the American Federation of Labor forsake indifference for bipartisanship? Will the same forces cause it to forsake bipartisanship for third party action?

9. "The workers don't need the intellectuals. They have a lot of high flown theories that don't mean anything to the average commonsense worker." Whose point of view is this? Why? Is there a place for the intellectual in the labor movement?

10. What are the probable party preferences of the following people: Negro, white citizen of Alabama, Iowa farmer, New York Irishman, Pennsylvania Steel magnate, New Jersey silk manufacturer? How do you explain each case?

11. Analyze the factors which influence a group, with which you are familiar, in the selection of a President.

12. "As long as a worker has divided allegiances, he will be the victim of somebody else's political propaganda. The worker must renounce his church, his race, his nation, and his bourgeoisie party." Comment.

13. Suppose you wanted the workers to get behind a program of government ownership and operation. Just how would you proceed?

14. "The worker wants results. He is only alive to theories

when he is discontented—when unemployment is rampant, when his family is in want." "The uneducated and discontented worker is a victim of political quacks with patent nostrums. The only enduring progress comes by slow theoretical education." Discuss these two theories.

15. At the present state of your inquiry into labor problems, what constructive proposals would you suggest? Draft a labor platform.

16. "If the labor groups got behind a liberal and conspicuous public man, they could master sufficient support to carry the country." Correct?

17. "The workers must develop their own leaders. 'Liberals' are compromisers." Correct?

18. "If the workers refused to pay taxes to a capitalist state, refused to fight in capitalist armies, and refused to work energetically in a capitalist industry, labor would rule." How could such a program be brought about? Would it be desirable?

19. "Socialism in America is winning—but not under its own name." What does this mean?

20. "New issues in American politics are first championed by minority parties and then are adopted by both the older parties." Discuss in terms of child labor, women's suffrage, income tax, prohibition, antitrust legislation.

21. "The Anti-Saloon League did more to secure prohibition than the prohibition party." Is this true? If so, what does this suggest to the labor strategist?

22. "The labor-party vote for President is not an accurate index of the number who agree with their aims." Discuss. Is there any way to find out how many people agree with these aims?

For Investigation

Perlman, Selig: "History of Trade Unionism in the United States."

A short summary of unionism, with penetrating comments on the relation of unionism and politics.

Carroll, Mollie Ray: "Labor and Politics."

The A. F. of L. is dealt with especially, but the treatment is broad and endeavors to reach significant generalizations.

Kellogg and Gleason: "British Labor and the War."

Summarizes the political aspects of the British labor movement before and during the War. The current news is available through the periodical index.

Merriam, C. E.: "The American Party System."

This book endeavors to interpret political parties as a social and governing force. Develops a scientific viewpoint toward party behavior.

Chapter XXII

CHALLENGING CAPITALISM

From the foregoing discussion it must be evident that the main efforts of the workers in America have been directed toward immediate practical betterment rather than toward fundamental changes in the organization of society. By various means, such as promised support to political parties in return for planks in the party platforms in favor of various working groups, by appeals to public favor through special labor publications, but chiefly through strikes and the threat of strikes, organized labor has sought to obtain higher wages, shorter hours, and improved working conditions.

Though plans for immediate gains have filled the minds of most of the workers, there have been some groups such as the Industrial Workers of the World and the various labor and socialist parties, as well as a considerable sprinkling of individuals in the labor unions themselves, who have felt that the immediate gains which the worker might secure under the present conditions of ownership and control in society were insignificant at the best—that really to improve the condition of the workers the present capitalistic organization of society should be replaced by some radically different system.

Nowhere, perhaps, is there greater need for sober and discriminating thinking than in regard to these various schemes for the fundamental reorganization of society, and yet there is no subject about which there seems to be so much misapprehension, so much substitution of passionate antipathy for quiet reflection. On the one hand we hear the capitalist denounced as the fomenter of all wars and the tyrannical oppressor of the poor, though every one must know that wars were common before the capitalistic system came into vogue and that poverty was more pronounced in mediaeval times than in our own. On the other hand, we hear communists and Bolshevists all classed as anarchists and enemies of society and religion; and business men often feel that they have refuted the doctrines of socialism by saying that if the wealth of the country were divided into equal parts and the parts distributed to all the citizens, it would only be a short time before the holdings would be as unequal as they are at present—a very convincing argument except that the socialists have never advocated the division of the wealth of the community.

It will probably help us to understand the various modern schemes for making over our present social and economic organization, if we first examine some of the visions of a perfected society which have been formulated by philosophers and poets in the past. These visions are not to be regarded merely as interesting flights of the imagination. Highly imaginative and often wildly eccentric they doubtless are, but they possess some practical importance as expressions of constructive ideals for the encouragement and guidance of social reform. Often it is his vision of a perfect social order which differentiates the great reformer from the restless and dissatisfied agitator. At any rate there can be no doubt that these Utopian visions and schemes have had a large influence upon important social movements of the present.

The Republic of Plato.—One of the earliest and most important of Utopian schemes is Plato's "Republic." Plato, it should not be forgotten, exercised an immeasurable influence upon the process of human thought, not merely upon the abstract speculations of philosophy but upon the whole process of reason and inquiry—without which the marvels of modern science could never have been achieved.

The question whether Plato was more concerned with affording a concrete illustration of the nature and workings of abstract justice or with the formulation of an actual scheme for the remodeling of the Athenian State, need not concern us here. But to understand his scheme of government, property, and education, it is necessary to notice that in picturing the ideal commonwealth, he has in mind not extended geographical units like France or Germany but the typical city-state of the Greeks.

Briefly his scheme was as follows: The people of the State were to be divided into three main classes in the descending scale of dignity and importance. First and highest would be the philosophers, who should be the ruling class. By philosophers, of course, Plato did not mean those who were concerned only with speculative meditation. He meant the men of superior intellect whose minds should be used in planning and executing the policies of government. Next in importance would come the warrior class, the provision for which is a clear indication that Plato was absorbed with no vision of world unity but provided for international conflict as a matter of course. Then in the third or servant class, Plato somewhat contemptuously grouped together merchants, artisans, farmers, and slaves, whose functions in the State corresponded, he thought, with the lower functions of the human body, just as the two upper classes corresponded respectively with the human mind and heart.

These three classes were to be recruited and maintained not by any heriditary custom but by a rigorous process of State education. At the age of twenty a selection was to be made of those who showed the greatest fitness for the respective functions of the two upper classes. An indication of the great importance which Plato attached to education is afforded by his further provision that those selected for the ruling class should continue their schooling for another ten years before the final subdivision of the ruling class was to be made—the less distinguished students entering the secondary positions of administration, the more distinguished assuming the functions of planning the larger policies of the State.

To insure equality of opportunity for each boy to attain the highest position for which he was naturally fitted, Plato would institute a system of almost complete communism. Property was to belong to the State collectively. Furthermore, to prevent family cares from interfering with the citizen's devotion to the common welfare, there was to be community in wives as well as in property, and children were to be reared not by their parents but as wards of the State. The apparent degradation of womanhood which his scheme seems to involve, is offset by the provision that, contrary to Grecian custom, women as well as men were to enjoy the advantages of education.

More's Utopia.—The next great philosophic scheme to be noted, and the one from which the name for this class of visions is derived, is the "Utopia" of Sir Thomas More. This work was written in 1516. The introductory portion contains a criticism of the evils of English society which sounds many of the familiar notes of modern reformers. Rulers are blamed for the heartless recklessness with which they drag the common people into war; the rich are blamed for their idleness, extortion, and indifference to human suffering; crime is ascribed to oppression and unemployment.

In sharp contrast to these conditions of English society, More presents the picture of an island whose inhabitants are contented and virtuous. The government on this imaginary island is an elective monarchy. The prince is not merely selected by popular suffrage but is subject to recall if his actions become unwise or tyrannical. War is held in disrepute, and no "entangling alliances" with foreign powers are permitted. The cities are models of sanitary construction, with broad, well-paved, and well-watered streets, commodious public hospitals, and institutions for the isolation of those suffering from contagious diseases. Girls as well as boys receive the advantages of education. Each citizen is compelled to learn a trade and spend some time each day working at his chosen craft, but six hours a day is the maximum limit for manual labor. Offenders are punished by being made bondsmen, but may be redeemed upon sufficient evidence of reformation.

The New Atlantis.—Quite in accordance with his famous advocacy of the scientific method of investigation, experiment, and verification, Francis Bacon makes what he calls a Temple of Science the distinguishing feature of his Utopian work "The New Atlantis." This imaginary institution combines the functions of education, religion, and government. The fellows of this college are the leaders in all the various activities of the island. In this ideal commonwealth, the main concern of the whole population is the discovery and application of scientific truth. The honors which in the England of that day were accorded chiefly to nobles and warriors were here accorded to inventors and discoverers whose statues adorn the Temple of Science.

Other Utopias.—The limitations of this chapter will not permit of the treatment of the numerous more modern Utopian views. The eighteenth and early nineteenth centuries were particularly prolific in various pictures of ideal communities. For the most part, however, the romanticists are absorbed with the idea of an idealized state of nature from which they thought mankind had been perverted by the artificialities of civilization. This class of writers, of whom Rousseau was the greatest representative, conceived of the ideal society in terms of what, in their lack of historical perspective, they conceived to be the state of man before the "social contract," and in terms of their highly idealized view of contemporary Indians and South Sea Islanders. As a cure for the worries, vices, and degradations of

European life, they advocated a return to the simplicities, the health, the idyllic happiness of "the noble savage."

Sharing in the general outlook of these thinkers, but basing their roseate hopes for man's future upon the application of machine power and better social organization, were a group of thinkers whose slogan was "the perfectability of man." William Godwin was the chief representative of this group. His great work, "Political Justice," is now almost unread, but he exercised a remarkable influence upon the young poets and intellectuals of his age. Doubtless, too, his pictures of the future of mankind have indirectly influenced such modern Utopian visions as Bellamy's "Looking Backward" and William Morris' "News from Nowhere." His most obvious disciple, however, was his son-in-law, Shelley, whose lyrical drama "Prometheus Unbound," presents this symbolic vision of the liberation and regeneration of all mankind:

> "The loathsome mask has fallen, the man remains
> Sceptreless, free, uncircumscribed, but man
> Equal, unclassed, tribeless, and nationless,
> Exempt from awe, worship, degree, the king
> Over himself; just, gentle, wise; but man
> Passionless? no, yet free from guilt or pain,
> Which were, for his will made or suffered them,
> Nor yet exempt, though ruling them like slaves,
> From chance, and death, and mutability,
> The clogs of that which else might oversoar
> The loftiest star of unascended heaven,
> Pinnacled dim in the intense inane."

Modern radical programs.—Now the misapprehensions of the aims of the various radical groups of our own day would be of little consequence if, like the Utopian schemes we have just noted, they had reference only to the probable conditions of society in the remote future. But it happens that our industrial system is undergoing a process of constant change and that every proposed modification of the system must correspond in some measure to a social revision advocated by a group of radical theorists. As a consequence, instead of a thoughtful consideration of the probable risks and probable gains involved in the particular measure, we hear too much of a wild clamor of passionate advocacy and protest. The measure is welcomed as the entering wedge of the new social order, and denounced as the crazy dream of the enemies of our flag and Constitution, Accordingly it is quite in order to examine a few of these schemes for the reorganization of society to see what their advocates really propose. It is quite impossible in so brief a treatment to offer a detailed consideration of the subject, but some of the broad differences between anarchism, communism, and the larger divisions of socialism may well be noted.

Anarchism.—Anarchism is primarily a disbelief in the usefulness of the political State. The disturbed conditions incident to a sudden change in the form of any government have led to the loose application of the term "anarchists" to all revolutionaries. In that sense our own forefathers in their rebellion against the rule of Great Britain might be called anarchists, for certainly there was considerable violence and disorder in connection with this, as with most, revolutions. The inaccuracy of this use of the term is perhaps best illustrated by the fact that these conditions of violence are quite as much associated with the restoration of monarchies as with the establishment of socialistic forms of government, though no one would seriously regard monarchical government as a form of anarchy.

From the accounts in newspapers we are inclined to picture all anarchists as wild-eyed assassins and bomb-throwers. In justice to such philosophic anarchists as Tolstoi, however, it should be noted that bomb-throwing and assassination are simply the means used by a few impatient advocates of a state of anarchy. In all cases the end sought is not violence and disorder, but a state of society in which harmony would be secured by reason and custom rather than by laws and coercion.

Like all other radicals, anarchists simply propose to render some of the conditions of our present social order universal to the exclusion of other conditions with which we are familiar. Accustomed, as we are, to laws and the instruments for their enforcement, we are inclined perhaps to attach an exaggerated importance to elements of formal control in society. Most people do not refrain from murder and theft just because there are laws with penalties attached which forbid these actions, and some violations of the Volstead Act certainly show that laws may sometimes provoke certain individuals to commit the very actions which these laws are intended to prevent.

Long ago so conservative a thinker as Edmund Burke called the attention of the British Parliament to the fact that the withdrawal of the royal charter and the consequent break-down of the governmental machinery in an American colony had not broken down the community life, that rather these perverse folk went about their affairs without much consciousness of the need of any government whatsoever.

Communism.—Many anarchists are also communists in that they believe in the abolition of private property and the substitution of community ownership. A communist, however, is not an anarchist if he believes in some form of governmental compulsion to enforce the type of organization which he advocates. The communist, as the name implies, believes that human welfare would be better conserved by putting the emphasis, not upon the large units of national organization, but upon the communes, smaller and self-sufficing units in which all property would be owned in common and in which the individuals would do their part in the community labor and share equally in the community benefits.

Some communistic anarchists like Tolstoi, and communistic socialists like William Morris, seemed to believe that society would be bettered by abandoning machine production and returning to condition of individual production similar to that which prevailed in mediæval times. They argued that the saving of labor by the use of the machine was more than offset by the trashy and impermanent quality of the goods produced, by the labor used in making the machine itself, and finally by the loss of the artisan's creative joy in his work for which no shortening of the hours of labor could compensate.

Though the era in which we live is characterized by jealous guarding of the principles of private property, elements of communism are very numerous in our present social order. Within the home, such rooms as the dining room and the living room, and to a large extent all the furniture and decorations are regarded as the common property of the members of the household and are used and enjoyed collectively. The properties of churches, lodges, and college fraternities are communistically owned and operated. Religious communities, like monasteries, are fine examples of small scale communism. Collectively a monastery may be very wealthy, but individually the monks do not own even the clothes which they wear. Public galleries, parks, and playgrounds are communistic in their nature. Most important of all, perhaps, the communistic principle is seen in our main forms of business organization. Holders of stocks and bonds can not identify any particular portion of the company's property as their own separate goods. Thus Bernard Shaw asserts that we already have communism in production, so that it only remains to attain communism in distribution.

The communism of Soviet Russia, it should be noted, employs many new features which differentiate it from communism of the older type described here.

Marxian Socialism.—Neither anarchism nor communism has received much advocacy in America. The importance of understanding these systems arises from their frequent confusion in popular discussion with much more widely supported principles of socialism. A socialist is not by any means an anarchist, though he objects to some of the coercive elements in the present organization of society. Neither is a socialist a communist, though he may, and usually does, believe in an extension of the communistic principle in the creation and use of public property. The distinction between socialism and communism may best be seen, perhaps, if we examine some of the fundamental ideas upon which the oldest and most widely known system is based, the Marxian type of socialism.

Now, communism, as we have seen, is a system naturally associated with individual rather than machine production, and with a state of society which is essentially agricultural rather than industrial. On the other hand, the social changes which Karl Marx expected to occur were based upon the very tendencies of the machine era itself.

Briefly, the Marxian hypothesis was as follows: The interests of the capitalist and the laborer, he felt, were fundamentally opposed. The capitalist would always desire greater profits, the laborer higher wages; hence what he called the class struggle would continue. The wastes of competition would inevitably bring about combination into trusts and ultimately into absolute capitalistic monopoly. Hence society would tend to become divided into a smaller and smaller group of owners on the one hand and a larger and larger group of propertyless wage-earners on the other. This small group of owners would become richer and richer while the wage-earners would become, relatively, at least, if not absolutely, poorer and poorer. Between the opposing groups, the middle class—small tradesmen, professional men and the like—would be squeezed into smaller and smaller compass, their members passing over into the wage-earning group. Marx conceived that this process would go on until the middle class was practically eliminated and that then the workers would be driven to inaugurate the social revolution—that is, they would take over, with conflict if necessary, the monopolistic industries which had been developed under the capitalistic regime and run them under a system of collective ownership.

From this brief analysis, it must be evident that strictly Marxian socialism is not so much a program of reform as an interpretation of the tendencies of capitalistic society.

Writing, as he did, during the competitive period of capitalistic development, Marx must be credited with foreseeing the general period of trusts and combinations which followed in the highly developed countries such as Germany, Great Britain, and the United States. Like all forecasts of future developments, however, the predictions of Marx failed to take into account the highly complex actions and interactions of world forces. Marx based his predictions on the economic interpretation of history, the theory that the events of history are caused not by the workings-out of the plans of great leaders but chiefly by the urge of the more primitive impulses in the satisfaction of economic wants.

Whatever may be the primary causes of human activities, it is evident that the secondary causes are so complex as to defy any detailed prediction of the course of human history. The acute predictions of Marx seem to afford no exception to this statement. Though a period of large trusts and combinations has followed upon the era of cut-throat competition, the sharp division of the population into a few great capitalists and the masses of wage-earners has not worked out according to schedule. The middle class, in America at least, has failed to disappear. Despite the formation of huge trusts and partial monopolies, small-scale enterprises have not been crowded out. Some types of industry have not lent themselves to large-scale developments, and difficulties of location and co-ordination set limits to the development of many large-scale industries. This is especially true of agriculture, where the small farm is still the rule. Furthermore, the very types of business organization which have made it possible for a few rich men to gain a controlling interest in many enterprises have at the same time increased the numbers of small investors. Many salaried men, and even a considerable number of wage-earners, have invested in various stocks and consequently have a direct interest in the preservation of the capitalistic system. In many cases the gains which the workers have obtained from time to time, partly as result of their own organized efforts, partly as a result of wise concessions of far-seeing and sometimes philanthropic employers, have mitigated the sharp antagonism of interest upon which Marx counted to precipitate the social revolution. Furthermore, divergent interests of different groups of employers and divergent interests of different groups of laborers have weakened the solidarity of both capital and labor. Finally a host of complex world-interests, national, racial, and religious, have, as the late War so clearly illustrated, interfered with the working out of the class struggle. It is true that social revolutions have occurred in several European countries, notably Russia, but they have occurred where the capitalistic system was least developed. The highly developed large-scale industries which Marx expected the laborers to take over are not to be found in a country like Russia which is still predominantly agricultural. And in those countries where large-scale industries do prevail, there seems to be more evidence of a continuance of the processes of gradual change and adaptation than of revolutionary transfer.

Since Marxian socialism is not so much a program of reform as an interpretation of the tendencies and consequences of capitalism, and since the social State does not seem to be following upon the heels of capitalism in the inevitable manner in which Marx expected it to come, few socialists of the present time are strict and logical followers of Karl Marx. Despairing of the disappearance of the middle class, some socialists, like the Bolshevists and the Syndicalists propose to force upon the community "the dictatorship of the proletariat."

Bolshevism.—Bolshevism possesses the distinction of being the only socialist movement that has ever been carried out on a large scale. The word Bolshevik signifies simply belonging to the majority and was applied in the first place to the radical wing of the Russian Socialist-Democratic Party when the party became divided in 1903.

The unit of organization in Bolshevik Russia is the workingmen's council known as the Soviet. Groups of workers in local districts elect representatives for the local Soviet; these local Soviets, in turn, elect delegates to the provincial Soviets, the provincial Soviets elect delegates to the All-Russian Council of Soviets. This national congress elects an executive committee of two hundred who in turn choose the Commisars, the officers in direct charge of the chief executive functions of the State.

Though the ultimate state of society which the Bolshevists are aiming at is similar to that which the Socialists wish to bring about, their tactics are strikingly different. Impatient of the slow process of capturing the political State through the conversion of a majority of the electorate, the Bolshevists advocate the forceful assumption of power by a militant minority of the workers and the establishment of "the dictatorship of the proletariat" through the temporary disenfranchisement of other classes of society and the suppression of the organs of public opinion which oppose their program.

Another form of the "dictatorship of the proletariat" is illustrated by syndicalism.

Syndicalism.—Syndicalism is a movement of French origin, the word itself being derived from *syndicat*, meaning union. In 1902 the central labor body of France declared itself in favor of direct action, sabotage, and the general strike. The type of social organization which the Syndicalists are striving to establish is a federation of labor unions without anything corresponding to the present political State.

Syndicalism appeared in the United States with the formation of the Industrial Workers of the World in 1905. Its membership, consisting chiefly of casual workers in agriculture and lumbering, has never been very large, but its revolutionary doctrines, its connection with some disorderly strikes, and the newspaper publicity accorded to the deportation of certain of its leaders have given the I. W. W. a bad reputation out of all proportion to its size and influence. Popular confusion of its reputed aims with the aims of other organizations of workers has attached much undeserved odium to the American Federation of Labor on the one hand, and to the Socialist Party of America on the other.

Guild socialism.—Somewhat similar to syndicalism in the type of social organization for which it is striving is what is called "guild socialism." According to this scheme every industry would be organized as a self-governing unit, the organization to include the administrative and executive, as well as the productive, workers. The present wage system would be abolished. Every industrial guild would be represented in an industrial guilds congress. This congress would act in conjunction with a collective utilities council, representing the collective consumers of the nation, and with a civic council and cultural and health councils.

Sharp factional divisions among the leaders of the movement make it difficult to carry a general description of guild socialism into further detail. Just what other organs of the industrial community there should be, just what division of power and function there should be among the several representative bodies, and to just what extent occupational representation should be modified by residential representation—these are all questions about which the leaders of guild socialism are greatly in disagreement.

The single tax.—In contrast to most of the programs for fundamental modification of our present social and economic order, advocacy of the "single tax" originated and has received its chief support in the United States. In 1879, the American economist, Henry George, published his important work "Progress and Poverty." In his introductory chapter the author contended that machine manufacture, despite the enormous increase which it has made in man's productive power, has increased rather than relieved poverty. He pointed out that the evils of poverty were most pronounced in the very places where modern society was most highly industrialized. This miscarriage of the might of the machine he ascribed to a socially unintelligent handling of the land problem, the term "land" being used to include all natural resources. The productive power of the machine, instead of increasing wages, tended, he thought, to be absorbed by the land. And this evil tendency was aggravated by our system of taxation which was chiefly a tax upon improvements. Thus the land speculator, who produced nothing for social consumption, reaped the main benefits from the activities of both capital and labor.

As a remedy for our present condition Henry George advocated the substitution of what he called the "single tax" for all other forms of taxation. This would be a tax on land for its full rental value. Thus all unimproved land would revert to the State and the owners of natural resources would be encouraged to make the maximum use of these resources, to the benefit of capital, labor, and the whole community.

The Socialist Party of America.—The Socialist Party of America aims to bring about an ultimate condition of society similar to that which Marx predicted, but it hopes to accomplish this result not by forceful means but by gradual and peaceful political action. And of course its national program could not be carried out except by a conversion of a working majority of the electorate to the theories of collective ownership and operation in industry.

It is the open and moderate methods of the Socialist party which have caused such sane and conservating statesmen as William Howard Taft and Charles Evans Hughes to protest against the expulsion of the duly elected Socialist members of the New York Assembly. They feel that to expel these political socialists from our legislative bodies will encourage the efforts of those revolutionary socialists who advocated the establishment of the dictatorship of the proletariat through violence and disorder.

An examination of the specific aims of the Socialist party will show how useless and inapplicable are most of the heated arguments which one hears in popular discussions about socialism. What is aimed at is not the abolition of all private property, but the private ownership of land and of the instruments of production. The American socialist does not propose to divide up the property of the country, to do away with money, or to reduce all incomes to a dead level. Under the type of social organization pictured by the Socialist party, mines, factories, land (when used for production), the railroads—in short, practically all the instruments of production and distribution—would be owned by the State and controlled in their operation either by officials of the national government, or by officials of some smaller government unit. The worker in any industry would receive wages whose size would be determined by the importance of the part he played in the system of industry and would be free to spend these wages as he saw fit, except, of course, that he could not use his money to produce more money, since rent, interests, and profits would be functions of the people collectively rather than of individuals.

As specifically reiterated in the platforms of the party, the Socialists do not deny the power of the competitive inpulse in human nature. They argue that under a developed system of civil service, there would be as much rivalry for the more prominent and higher-salaried positions as there is at the present time. And thus they feel that collective ownership is not a denial of the fundamental energies and aspirations of the individual; rather that all individuals would find a more equal opportunity for exercising their inborn differences of talent than obtains under the present order.

It is, of course, impossible to determine at the present time the practicability of the program of the American Socialist party. To the disinterested observer the Russian experiment in State socialism throws little light on the subject. There is good reason to believe that the sufferings of the Russian people have been aggravated by the policies of the Soviet Government; but the parallel between the socialistic revolution in Russia and the state of collective ownership which the American Socialist party hopes to establish in America is too remote to have much meaning. Russia was an absolute monarchy with no experience in political democracy. The United States has been a political democracy since its establishment, with a wealth of political experience in colonial days. In Russia the capitalistic system was little developed; America is one of the most highly developed capitalistic states in the world. In Russia the vast bulk of the people is illiterate; in America we have a highly developed system of primary, secondary, and university education. In Russia the change to socialism was effected through violent means by a party numbering less than one per cent of the population; in America the change to socialism would be made peacefully through the sanction of the majority of the electorate. If we pause to observe further that the difficulties of the Soviet were intensified by the Allied blockade and the Allied support given to a succession of Russian counter-revolutionists, that the Russian situation was complicated by a terrible famine, that the Soviet regime has been on trial but a few years, and finally that the accounts of the Russian experiment have been partisan and contradictory in the highest degree, it may well be seen that recent Russian history affords little laboratory material for conclusions either for or against the feasibility of social democracy.

In the absence of definite historical data on which to base conclusions, the student of social movements must base such conclusions as he feels are warranted largely on abstract arguments. Some of the principal abstract advantages which socialism offers are: elimination of waste through centralization and co-ordination; avoidance of armed conflict with other nations through the application of profits to wages rather than to the exploitation of foreign markets; the improved conditions of the worker; removal of the chief grounds of class hatred and discontent by greatly lessening the differences in income and possession; security of employment and of honorable State support in possible intervals of unemployment, since all citizens would be employees of the State; conservation of natural resources, since without the lure of large profits there would be less temptation for the destructive use of such things as timber and oil.

Opposed to these attractive promises of socialism are some large abstract difficulties: the probable inefficiency of government operation which might offset the advantages of co-ordination and centralization; the enormous complexity of the task of co-ordinating all the great industries and all the departments of the great industries of a country; the difficulty of fixing fair standards of wages for different types of labor; the difficulty of inducing any one to accept the more disagreeable tasks; the possibility that the clamor for large wages would interfere with the upkeep and expansion of plant and equipment; the dangerous power put into the hands of the officials which perhaps could only be safeguarded by restrictions that would hinder their efficiency; and finally the doubt whether any other spurs to the competitive instinct would afford as powerful an incentive for the exercise of the abilities which make for social progress as the present lure of great wealth and financial power.

To some minds the possible gains of socialism will always seem sufficiently real to warrant the risks involved in their attainment. To others these gains will seem shadowy and uncertain at best. The main purpose of the present discussion is to clear the air of irrelevant material regarding the feasibility of any proposed government action. The fact that a particular measure is either advocated or opposed by socialists should have little to do with our conclusions in regard to its feasibility. The powers assumed by a government in time of war or extraordinary crises should show that there is little question as to what the government ultimately has the right or the power to do. By its right of eminent domain, by its power of taxation with no definite limits which can be termed confiscation, by its establishment of enterprises like the parcel post, which put several express companies out of business, the government illustrated that its potential powers are practically unlimited. The great question we should ordinarily ask in regard to a proposed government action, then, is not, "Is it what the government has a right to do?" or "Is the action socialistic?" but, "Is it, or is it not, the least objectionable thing to do under the particular circumstances?"

Let us notice, for example, the question of government ownership of the railroads. To say that the action is socialistic and therefore to be abhorred is to ignore the fact that a number of our government functions are socialistic already—that almost any function of government beyond the mere policing of property is, in a sense, socialistic. The Postal Department is a great socialistic enterprise, yet few supporters of the principles of individualism and private property would advocate the carrying of the mail by private companies. The digging of the Panama Canal was a socialistic enterprise. In short, it may be said that the government, National, State, and Local, is an employer of labor on a large scale and in a variety of tasks, almost any of which could be, and most of which originally were, the functions of private enterprise. Unless one believes that all these functions should be returned to private management, there is little force in condemning a particular enterprise as socialistic. If the majority of the electorate ever decides to put the railroads under government ownership it will probably not be because this majority has become converted to State socialism, but because the dangers and difficulties, the red-tape and inefficiencies of public operation are regarded as the lesser of two sets of evils in an enterprise whose size may have outgrown the government-controlled private ownership.

Back of all the "issues" is a broader issue of the comparative merits of collective versus individual action. Indeed the terms collectivism and individualism may well be added to the list.

Collectivism.—Collectivism is the general doctrine that the welfare of the individual is best conserved and promoted by group action in the economic sphere. The term is opposed to individualism, the theory that the economic field should be left to the free interplay of individual forces.

Obviously the opposing terms, individualism and collectivism as practically used, are relative rather than absolute in their signification. No advocate of laissez faire believes that the economic field should be entirely exempt from social regulation, and no collectivist advocates the transfer of all economic initiative from the individual to society. But the individualist commonly is opposed to further socialization of industry and often feels that the process has already proceeded too far, whereas the collectivist believes that many of the more important economic functions now under private control should be assumed by the state.

Collectivism versus individualism.—Though in one form or another the conflict between individualism and collectivism is common to all history, the emergence of the particular forms of these respective doctrines in modern time is clearly contingent upon the rise and progress of the Industrial Revolution. In the early days of the machine era it became apparent that the methods of the State, inherited in a large part from the feudal regime, were ill-adapted to the growth of industry and trade. Consequently, the clamor of the rising middle class was for freedom from state interference. But with the further evolution of the industrial era, the seeming failure of social welfare to keep pace with the enormous strides in productive power naturally directed the attention of many to various forms of collective action in order to secure what they considered a greater measure of justice and a fairer portion of the product of industry. It is not without significance that the doctrine of individualism received its first classical expression by Adam Smith in the latter part of the eighteenth century, while the doctrine of collectivism received its most famous expression by Karl Marx in the middle of the nineteenth.

From the order of historic emergence, the writer is not implying that individualism is an outgrown doctrine applicable only to the earlier conditions of the industrial era. But in the evolution of modern democracy, it was inevitable that the working class, deprived of their ownership of the tools of production and weak in bargaining power, should develop a faith in collective bargaining along with their growing class consciousness. And since collective bargaining has obtained for the worker only a fraction of the securities and advantages for which he has reached, it naturally follows that many laboring groups are turning more and more to the theories of collective ownership and management of industry—theories which tend to carry the principle of collectivism to its logical extreme, and perhaps to its *reductio ad absurdum*.

Doubtless, too, the main tendencies of capitalistic development have played into the hands of the collectivist theorists. The more extreme opponents of collectivism are likely to contend, and believe that they are championing the rights of the individual when, in reality, they are simply pleading for non-interference with the natural development of capitalism, a development which has been characterized in the main by a drift from the relatively early individualistic competition toward co-ordination, combination, and often the extinction of the small capitalist—a process in which the freedom of action of the many individual capitalists has been largely surrendered in return for the economies of large-scale production.

The zone of collective functions.—From the evidence already afforded by the development of capitalistic society, the impossibility of restricting the collective functions to a few unimportant and innocuous fields is quite evident. According to Adam Smith the duties of the sovereign, and hence by implication of the sovereign state, are three: the protection of the particular society from other independent societies; the maintenance of justice among the members of the society; and finally the erection and maintenance of certain public works and institutions which private industry would not find profitable. It is now clear that all these restricted functions are likely to be greatly extended under the pressure of actual events. Obviously, the State must take some cognizance of industrial developments, such as the exploitation of foreign markets, which may, in turn, provoke war; and once war has been declared, the State finds it necessary to assume all sorts of economic functions usually left to private enterprise, because modern war is not a segregated tournament between military groups, but the pitting of the total resources of one country against those of another. Obviously, too, the requirements of the administration of justice must force the State to commit itself to social policies when the major disputes to be settled are not between isolated individuals, but between powerful groups of associated individuals. And finally, it is quite impossible to set even approximate limits to the number and quality of institutions which the State may find it necessary or expedient to erect and maintain. The devastation wrought by contagious diseases soon forces the recognition of the fact that no amount of personal enlightenment and caution can protect the individual's health from the encroachments of an ignorant or careless community; and when the State assumes responsibility for public health, public hospitals are sure to come into conflict with private hospitals, and public playgrounds with private amusement parks. Thus in these, and in a myriad other ways, modern governments are forced into the unforeseen and awkward assumption of ever-widening collective functions.

While these changes go on those who accept the doctrine of collectivism are likely to emphasize three main points on mooted questions accompanying social change.

1. They feel that the principle of protection should apply not only to defectives and dependents, but to all individuals. They contend that the individual with his necessarily limited knowledge, limited leisure, and limited energy, is usually a poorer judge of the essentials of his own welfare than is the collective wisdom of the community. Moreover, they would subscribe to what the individualist would call a restriction of the freedom of contract, contending that *freedom* in bargaining with the modern corporation, for example, is often nothing other than an ironic misnomer.

2. They assert a preference for collective as contrasted with individual or private action. The thorough-going collectivist contends that the inefficiency of government enterprise has been greatly exaggerated, and that such inefficiency as there is, results from governmental inexperience and the opposition of private enterprise rather than from intrinsic inadaptability of the government to matters economic.

3. Finally, as the most important principle of collectivism, they subscribe to equalization of opportunity among individuals. The collectivists believe that the true welfare of the individual must be derived from the welfare of society itself. They feel that the gross inequalities of wealth resulting from a false individualism constitute the greatest restriction upon the free self-development of the individual, and consequently that individualism itself can be realized only through collectivism.

To state their position is but to indicate that the goals of the individualist and the collectivist possess much in common: the chief difference exists in the faith each has as to the road leading to such goals.

Summary.—From this brief discussion of possible types of economic organization other than that under which we are now living, it should be evident that there are large and important differences among the schemes emanating from those who are often indiscriminately termed "reds;" that there is need for a sharp distinction between those who aim to establish a different social system by violent action against the will of the majority and those who propose to bring about changes through persuasion and the use of the ballot. It should be further evident that elements of anarchism, communism, and socialism are all present in our existing social order; that the practical question in regard to any extension of the functions of government is not whether such an extension is or is not socialistic, or whether it forwards collectivism or individualism, but whether the possible gains are sufficient to offset the particular risks and difficulties involved.

For Discussion

1. Do you think that a modern State might well adopt any of the policies of the Utopian visionaries? If so, what and why?

2. If anarchism were put into practice by the abolition of all governmental compulsion, can you conceive of any way of maintaining order in such a state of society?

3. Are there any spheres of life at the present time that we feel should be immune from law? How far, do you think, could these fields be enlarged?

4. What are some of the most important divisions, interests, and habits of society which interfere with the working out of the class struggle which Marx emphasized?

5. Would the abolition of capitalists as a class insure freedom from oppression and equality of opportunity to workers?

6. To what extent do you feel that the law of evolution works inevitably in human affairs, and to what extent do you think that the social and economic field is amenable to the plans and efforts of individuals?

7. What other forms of determinism have been used to explain human history other than economic determinism?

8. What kind of a social revolution should the previous history of and general conditions in Russia lead us to expect?

9. What different aspects would the Russian revolution have presented if it had occurred in times of world peace?

10. What parallels can you trace between the Russian and French revolutions?

11. What are some of the more important reasons which lead some reformers to resort to the general strike and similar instruments rather than to political methods?

12. What is likely to be the effect of violent and illegal persecutions of leaders of the not-commonly-accepted doctrines?

13. To what extent do you feel that it is wise to grant freedom of speech and assembly to those whom we consider crazy radicals?

14. Was the American Revolution a movement of the majority carried out by their approval and consent?

15. In what respects are the guilds of guild socialism similar to the guilds of the Middle Ages?

16. Does the conflict of opinions about guild socialism prove that the system is of no value?

17. Are there any advantages of a system of occupational representation over our system of territorial representation?

18. Are the interests of various occupational groups fairly represented in the Congress of the United States?

19. May it be partly true that our present system of representation is faulty because the legislators are mostly lawyers?

20. How do the underlying principles of the single tax system differ from those of socialism?

21. Would it be advantageous to take over the principle of a prohibitive tax on unimproved lands without adopting the whole plan of the single tax advocates?

22. Would the application of the single tax system encourage the wasteful consumption of our natural resources?

23. Is it conceivable that employing the single tax might produce larger revenues than the State could wisely use, particularly if it succeeded in eliminating poverty?

24. To what extent do you think that Henry George is right in his contention that industrial progress has intensified poverty?

25. The lure of profits and the demand of the buyer for cheap articles have encouraged the manufacture of shoddy and impermanent goods. Would the establishment of the single tax touch this evil?

26. What failures to distinguish among different types of radical programs have you noted in conversation with your friends? In the newspapers? In the utterance of business men and politicians?

27. In Europe there are quite a number of Christian socialist and Christian labor parties. Does this mean that the other socialist and labor parties are anti-Christian?

28. The statement is sometimes made that socialism has always failed wherever it has been tried. Is it possible to give socialism a fair trial on a small scale?

29. Investigate the records of some cities which have elected socialist officials. In what respects have they apparently succeeded? In what respects have they failed? In a city where the workings of socialism are limited by the restrictions of a capitalistic state and nation, can either the failures or the successes be clearly ascribed to socialism?

30. Government enterprises are generally supposed to be less efficient than private enterprises. What actual illustrations can you cite?

31. Look up the proportion of failures in private enterprises. What do they seem to signify for the efficiency of the general system?

32. What other inducements are there for human efforts besides the lure of financial reward?

33. Do business men working for profits work harder than salaried men working for a relatively fixed reward? What proportion of the work of business itself is carried on by salaried workers?

34. May part of the efforts of the salaried workers be due to the hope of investing their savings?

35. Ruskin thinks that men strive not so much for riches as for the reputation of riches. Could the lure of distinction from one's fellows be maintained without the large inequalities of reward connected with the capitalistic system?

36. A large share of the profits of an invention often does not go to the inventor. Is it not the hope of large profit, however, that stimulates him to exercise his inventive faculty?

37. Corporations sometimes buy up patents and destroy them to avoid the cost of installing new machinery and the scrapping of existing equipment. Would this evil be avoided in a socialistic state?

38. Do all those who object to government interference with their business object to various forms of government aid?

39. Is government regulation, operation, or even ownership any more an invasion of the sphere of business than are tariffs and subsidies?

40. "The plea for socialism has a fallacious persuasiveness in consequence of the human tendency to magnify the evils of the existing situation, and to assume that any change will be an improvement. The prejudice against socialism, on the other hand, is aggravated by the mental inertia which resists all change." Which is the stronger?

41. What are the real differences between the goals sought by collectivists and those sought by individualists?

For Investigation

The groupings of the books, it will be noticed, follow the treatment of the text, except that a separate list is not made for Communism. Since communistic theories are usually presented under the more inclusive term of socialism, the reader is referred to works on the theory of socialism and for more concrete material to the works listed under Bolshevism.

Utopean Visions

Bacon, Francis: "The New Atlantis."
More, Sir Thomas: "Utopia."
Mumford, Lewis: "The Story of Utopias."
Morris, William: "News From Nowhere."

Anarchism

Crawford, James: "Philosophic Anarchism."
Goldman, Emma: "Anarchism and Other Essays."
Tolstoi, Leo: "The Slavery of Our Times."

Marxian Socialism

Marx, Karl: "Capital."
Seligman, E. R.: "Economic Interpretation of History."
Spargo, John: "Karl Marx; His Life and Work."

Syndicalism

Lewis, A. D.: "Syndicalism and the General Strike."
Russell, Bertrand: "The Syndicalist Revolt."

Bolshevism

Brailsford, H. N.: "Russian Workers' Republic."
Poole, Ernest: "Dark People; Russia's Crisis."
Spargo, John: "Greatest Failure in All History."
Postgate: "The Bolshevik Theory."

Guild Socialism

Carpenter, Edward: "Non-governmental Society."
Cole, G. D. H.: "Chaos and Order in Industry."
Cole, G. D. H.: "Guild Socialism Restated."
Hobson, S. G.: "Guild Principles in War and Peace."

The Single Tax

George, H. M.: "Progress and Poverty."
Hillquit, Morris: "Single Tax."
Young, A. N.: "Single Tax Movement in the United States."

Socialism

Ely, R. T.: "Socialism."
Hillquit, Morris: "Present-day Socialism."
Kirkup, Thomas: "History of Socialism."
Laidler, H. W.: "Socialism in Thought and Action."
Sellars, R. W.: "The Next Step in Democracy."
Spargo, John: "Socialism."
Wells, H. G.: "New Worlds for Old."

Chapter XXIII

UNIONISM: UNDERLYING FORCES

We have studied forms of union organization, craft, industrial, general labor; and types of union function, business and revoluntary. We have dealt with policies of industrial co-operation, non-partisan participation in politics, and third parties. Violence, sabotage, and hate have been contrasted with policies of conference, and of encouragement of output and friendly feeling. Yet, in spite of all this diversity of approach, in spite of internal antagonisms and contradictions, it appears that we have been dealing with varying aspects of a great movement. Wherever we find modern industrialism we find this workingman's movement in vigorous swing—in England, France, Germany, in the United States, Russia, Japan and China. "Labor unrest," such is the common phrase, seems to exist wherever machinery has appeared. What, after all, are the underlying forces which produce the movements of protest, the theories of revolt, the attempts of organization which honeycomb modern society?

Unassured status.—The significance of the insecure position of the worker in modern society has already been discussed. The "rights" of the employer are assumed by the social and legal institutions passed on as part of the social heritage of the present generation. These rights have to do with the disposal of the products of industry and the regulation of the conditions of production. In so far as the employer has the right to "fire" him without warning, to reduce his wages without notice, to transfer him from one machine to another without consultation, or to subdivide his process without adjustment, the position of the worker is insecure and subject to the play of the forces which compel the managers of industry to run their businesses in competition with other businesses for the largest possible profit. For the protection of the advantages already won and for the further guarantee of their status, the workers feel compelled at times to co-operate. Since the rights which they assert involve an infringement upon the traditional rights of the managers, the labor group comes to occupy the position of a "conflict" group.

These factors are basic to the understanding of the emergence of a coherent labor movement. But the roots of the phenomenon go much further.

Conflicting desires.—From the beginning of this book there has been an attempt to present human nature as a complex of impelling and frequently conflicting desires. We have learned to expect personal unrest simply because modern society demands long periods of application to the tasks at hand. Rigorous training and consequent suppression are respectively imperative and unavoidable. Unrest appears when the customary standard of living is broken in upon, as in the case of the California hop pickers. The development of new wants through formal education and informal advertising stir the individual to new adjustments. The closing of the door of individual advancement means that large numbers of persons are thwarted from satisfying their craving for social distinction and power. Personal disrespect rouses the personality to revolt, whether the disregard manifests itself in physical oppression or in the patronizing benevolence of a George Pullman. Just as unrequited love or the loss of friends constitute disturbing forces to normal relations, so fears and uncertainties as to the future inspire worry and strain.

Unrest and industrial limitation.—A simple enumeration of typical instances in which personal conflicts arise and unrest appears does not, in itself, reveal the profound importance of this factor in the correct interpretation of the underlying forces of the labor movement. It is only when the relation of labor unrest to the social situations, in which labor as a group finds itself, is understood, that an accurate appraisal becomes possible.

In the United States, for example, the last generation or two have witnessed a progressive limitation of industrial opportunity. The cheap western lands disappeared about 1890, the industrial concentration movement entered upon its rapid phase during the eighties, and population has been augmented by swollen streams of immigration and by the birth rate.

Prior to 1890 there existed to the westward in the United States vast stretches of cheap and fertile land. Let a man "get sore" at his boss, and he could always "hike" west and become his own boss by "taking out" a homestead. Thus it was that an economic outlet existed for the restless ones. The great wave of settlement, however, which had been slowly sweeping over the continent of North America finally submerged the areas of cheap western lands. Increasingly since that time our population has had but one choice, to participate in industry.

We have already learned that industry itself has undergone a change which amounts to a limitation of certain kinds of economic opportunity. The concentration of production in great plants, and the grouping of plants under one management have gone on rapidly. Relative to the number of workers the number of managerial jobs has decreased, and more and more workers have come to agree with John Mitchell's statement, "The average wage earner has made up his mind that he must remain a wage earner. He has given up hope of a kingdom to come, where he himself will be a capitalist, and he asks that the reward for his work be given to him as a workingman."

This limitation has also been emphasized in various places by the steady increase of population. The constant pressure of numbers, more mouths to feed, more pressure for jobs and goods—these mean more friction and unrest.

The disappearance of Western lands, the concentration of industry, and the growth of numbers have produced since the eighties labor organizations so vast in scope that they are seemingly no longer capable of being destroyed by temporary business depressions. Unrest is cumulative; it is the drive behind the vast organizations which are generally accepted as more or less permanent features of modern life.

Unrest and the business cycle.—The progressive limitation of the independence of the individual in economic life which has characterized the modern period, especially since the eighties, appears as a trend. Should it continue, it may place the American worker apart and define a new status. Another factor influencing labor unrest, which is not necessarily a permanent phenomenon of society; is the periodic upswing and downswing of industrial activity which have come to be designated as the "business cycle."

The two phases of the business cycle, prosperity and depression, involve a fundamental break in the daily habits of most people, but in particular the workers in society. Daily habits are broken down during the upswing of the cycle because of the migration from one position to another on the trail of the increased wages which, in many cases, may be nothing more than an unequal race with the purchasing power of the dollar. Maladjustment and unrest are thus especially grave during both the outstanding phases of the business cycle. The situation at either extreme does, however, define itself with different hopes and fears, and the consequence is a tendency for somewhat characteristic policies to emerge during the two periods.

This fact has been pointed out by one writer:

> "Labor has its *modus operandi* for every phase of the business cycle. When depression first turns to prosperity, labor demands a shorter day. When work is irregular, it is willing to work long hours on the day when work presents itself, but when work becomes a daily routine it wants the day reduced. Steady work, however, swells business prosperity, in that it gives labor a larger total income than it had before, which it carries to market in the form of demand for goods which it previously wanted but could not have. This demand creates a relative scarcity in the goods it wants, and thus sends prices beyond its own reach. Labor now turns from the demand for shorter hours to a demand for higher wages to meet the higher prices. This continues as prices soar until finally it recognizes the dilemma of catching up with prices which it itself, in part at least, advances with each increase in purchasing power which it secures. Once it recognizes this dilemma, it goes into politics to curb that element in the community which in the meantime has been profiting from the upward changing prices. Here it demands banking reform, anti-monopoly legislation, government control or regulation of railroad and other public utilities, land reform, new taxes. But it is only the leadership that goes into politics at this point, that is, at the crest of the business cycle. The rank and file still have steady employment and are willing to let well enough alone. When the cycle finally takes its downward course and the factories are closed for part time or altogether, they too begin to view politics with favor and now put content into the erstwhile empty aspirations of their leaders. Alongside of politics, labor carries an economic program for the contingencies of depression. When prosperity first turns into depression, it defends the wages it earned during prosperity. If the depression continues, it demands shorter hours, but this time not for the purpose of spreading the available work over a large number of workers. This is the ordinary circuit that labor travels. Sometimes it takes on additional luggage. In time of prosperity it will take on consumers' co-operation to reduce the cost of living to the extent of the middleman's profit; in time of depression it will take on producers' co-operation to give some of the unemployed employment."[1]

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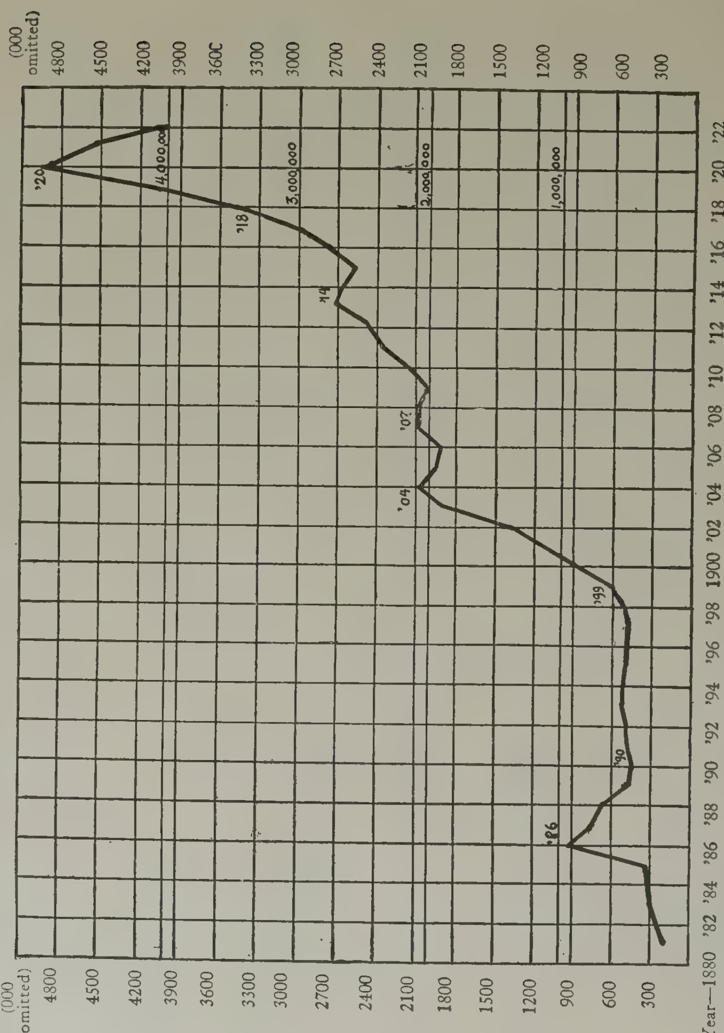
[1] E. B. Mittleman: "Chicago Labor in Politics, 1877-96," *Journal of Political Economy*, XXVIII. (May, 1920), pages 407-9, 426-27.

Total Membership (by years) in All Labor Organizations in the United States



Prepared by Mr. Garfield V. Cox, University of Chicago

For present purposes it is sufficient to know that the years of falling prices since 1881 have been those of '84–'86, '91–'97, '01, '04, '08, and '21, and that in the intervening periods prices have risen.

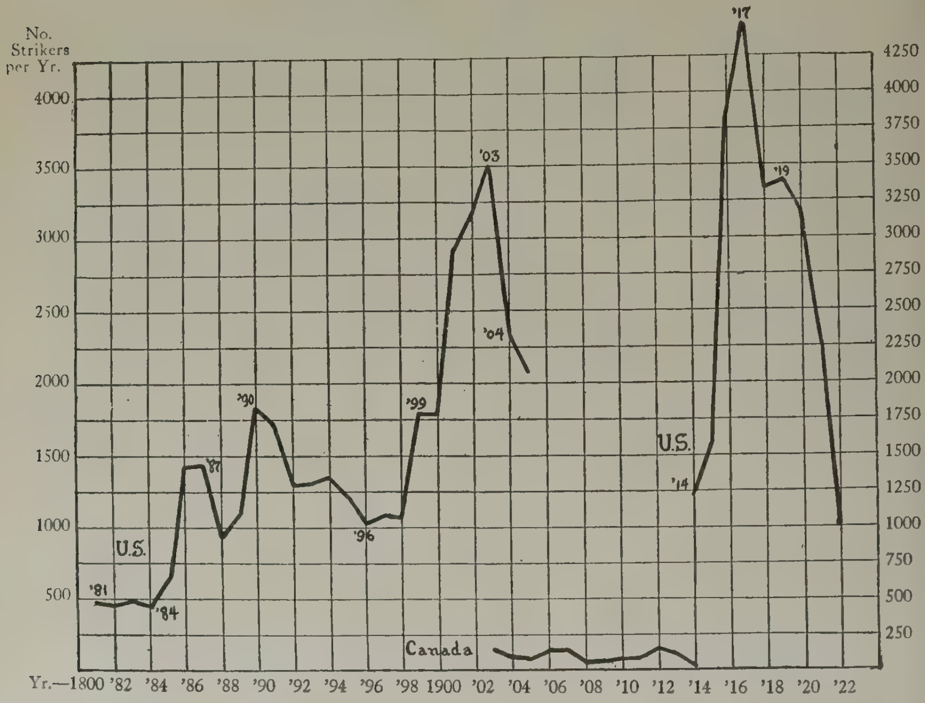
Union membership and the business cycle.—The forces motivating the behavior summarized above are made more apparent when the relations are worked out between the cycle on the one hand and the volume of union membership, the effectiveness of the strike, and the fluctuation of wages on the other.

Each slump in business activity has cost the unions heavily in membership. They may resist wage cuts, but they cannot make jobs for all when the demand for labor falls off 20 to 40 per cent, and many of the jobless give up the payment of dues. The depression of 1914 cost the American Federation of Labor 222,000 members; that of 1907–08, 104,000; that of 1914, 74,000; and the cost of the slump of 1920 was far greater. Losses outside the Federation have in most cases been correspondingly heavy. In the light of past experience we may confidently expect, however, that with the recurrence of full employment the unions will regain much of the membership they have lost.

Strikes and cycles.—A comparison of strike data with those of price movements supports the general assumption that the number of strikes undertaken, their causes, and the terms of settlement are all largely influenced by the condition of the commodity and labor markets. The number of strikes tends to increase in times of a rising market and to decrease in periods of depression. The return of prosperity in '86, and again in '98, each brought a great increase in strikes, while the increase that came with the revolutionary price-rise of '16–'17 was unparalleled. Conversely, the long depression of the '90's and the business slumps of '04, '08, '14, and '21 were each marked by a sharp decline in labor's resort to the weapon of the strike. Exceptions to this rule occurred in '84 and '90 when strikes increased in the face of falling prices, but these increases may be readily accounted for by special circumstances, some of which have already been mentioned as affecting union membership. Canadian experience points with equal clearness to the tendency of labor to resort increasingly to economic weapons in times of prosperity.

Another question of interest is the effect of the business cycle upon the successfulness of strikes. At first thought one would expect the percentage of strikes won to be high in a time of full employment when labor's bargaining power is strong, and to decline in times of unemployment when the worker's bargaining power is slight. Indeed some support is found for this view in the high proportion of failures following the depression of '83, and in the great gain in the percentage of successes following the price revival of '97. But against this stands the fact that the prosperity of '86 and '87 brought with it disastrous failure of strikes, while the long depression from '93 to '97 brought, with the single exception of '94, a noticeable increase in the proportion of successes. Again, and more recently, the percentage of failures climbed steadily during the extraordinarily prosperous years from '17 to '20. It appears, therefore, that

Number of Strikers in the United States, 1881–1905; 1914–1922
Number of Strikers in Canada, 1903–1914



Prepared by Mr. Garfield V. Cox, University of Chicago the proportion of successful strikes is likely to be greater in times of depression than in prosperity.

Search for the reason for this situation leads one to an examination of the causes of strikes. Analysis of such statistics of cause as are available shows that the purposes of strikes change markedly with the swing of the business cycle. In periods of prosperity labor is struggling for increased wages, better working conditions, and either the right to organize or, if organized, the increased authority of the union over working rules, or for the closed shop. In periods of depression the workers fight to maintain the ground previously won. In general, then, in periods of prosperity labor is aggressively striving to encroach upon the *status quo*. This frightens the employer into determined resistence. In times of unemployment, on the other hand, labor makes no new demands. Its struggle is defensive; its claims seem moderate. In fact, the decrease in the number of strikes attempted in depressions suggests that, even when encroached upon, labor may concede some point without a struggle and resist only when either the demands of the employer are drastic or there is good ground for believing a strike will prove successful. Furthermore, several of the periods of failure are coincident with the sudden expansion in trade-union membership. It seems probable, therefore, that strikes may be lost by new and inexperienced local unions in prosperous times, and won by the "old guard" of disciplined and seasoned veterans in times of depression.

Wages and cycles.—The wage level at any given time represents in part the cause and in part the result of labor's efforts, offensive or defensive, in the matter of wages. Each upward swing of prices represents a rising market for labor, while the lag of wages behind commodity prices calls forth labor organization and strikes. The degree to which wages lag, measures in part the extent to which labor falls short of its aim. On the other hand, each downward swing of prices represents a more or less serious fall in the labor market and is a signal for employers to cut wages. The corresponding downward movement of wages, therefore, measures roughly the success of the employers' offensives against existing rates, while the failure of wage rates to decline as fast commodity prices, reflects in part the strength of labor's defensive campaign.

It must be remembered, however, that the mere maintenance of wage rates in times of depression does not mean that labor has escaped economic loss. Organized effort may successfully resist wage cuts, but it does not prevent unemployment and under-employment, and these fall heavily upon labor even when reduction in rates is moderate. On the other hand, in prosperous times the more rapid ascent of the commodity price level, as compared with the wage rate, may not mean a decrease in real income; for the decrease in the purchasing power of an hour's wage may for a time be entirely offset, is often more than offset, by an increase in the total number of hours worked. It must always be remembered that this question of the volume of employment is as vital to labor as are wage rates.

Confining ourselves for the present, however, to a comparison of wage rates with commodity prices, it appears that in every depression wages have declined less than prices, and that in every period of prosperity wages have risen more slowly than prices, excepting the years '10 to '13 when wages gained slightly upon the price level, and the period of '18 to '20 when wage rates were increased so rapidly as to gain somewhat even upon a revolutionary advance in prices. During the latter part of 1920 and in 1921 we were in the midst of another severe depression with its rapid decline of the commodity price level. Millions were unemployed or working only part time, yet so widespread and so strong was the organization of labor, and so general the existence of long-time trade agreements that, according to the reports of the Bureau of Labor, the average union wage-rate in 1921 had been little, if any, less than that of 1920.

Unrest and authority.—There is a group of thinkers who regard unrest as an inevitable feature of an industrial order in which authority tends to become organized under a smaller and smaller group of owners and managers. In the discussion of the limitation of industrial opportunity in America through the growth of large corporations and trusts, the fact was brought out, that more and more men are consigned to an order-taking status which they come to accept as relatively permanent. Those who do possess ambition for advancement and distinction can climb in industry, we are told by some, if they have the types of personality which permit them to get along with their superior officers. Men who "have the knack" may work themselves into the favor of those who have promotions at their disposal. This fact, although it probably is over-emphasized by workers who do not rise, does arouse the contempt, not altogether unmingled with jealousy, of those who will not or cannot resort to such "fawning tactics"; and these disappointed and often incapable ones may find in the union an opportunity for distinction based on the choice of the many as distinguished from the choice of the few. In this, as in so many other types of social analysis, an analogy is sought in the democratic movement which finally resulted in the development of a responsible political government. The humiliation of those who fail to win the approval of constituted authority is thus regarded as a factor in unrest which increases in proportion to the centralization of industrial control.

Unrest and the policies of those in power.—The trend of any movement, labor or otherwise, is modified to a great degree, by the policies of the group in power. Thus, for years Russia discouraged the spread of literacy among the rank and file, for the ability to read meant the ability to read criticisms of the established order of things. "Spies," "exile," "persecution" were commonplace of Russian policy. The labor movement went "underground" and gained in bitterness. Other countries have sometimes adopted similar policies of repression.

On the other hand, the groups in power may be very lenient, and encourage the spread of education and the improvement of conditions. Violence generally has not emerged under such circumstances, and yet some labor leaders think that this policy merely postpones the day when, and decreases the violence with which, labor will take over the management of industry.

Moreover, the policies of the employer, the inertia of habit, and adjustment to conditions lead many employees to feel no stirrings of unrest. In fact, from the point of view of the labor agitator with all of his theories of an outraged and downtrodden working class, the most difficult problem is to overcome the lassitude of the "happy and indifferent" worker. By what right the agitator seeks to create thorns of discontent where none grew before, he must explain to himself.

The technology of society.—The present discussion has assumed all along the continuation of the present technology of production, a technology whose features we have come to designate as the production of goods by means of large units of fixed and specialized capital which are easily brought under common control. What right have we to assume that the present technology is permanent? One who wrote a text book of this kind one hundred and fifty years ago would never have dreamed of the very society which we have with us to-day; forces may conceivably sweep away all that we have come to know as industrial society. Electrical power may, for example, revolutionize costs and make it possible to produce as economically in small and scattered units as in large ones. Thus it might become possible for nearly everyone to look forward to independent control of production. The coming of the gasoline vehicle may permit the decentralization of transportation into thousands of separate enterprises. Under such circumstances the place of labor in society would undergo the profoundest modifications, and the problems so peculiar to present society would sink into the limbo of forgotten things. Unrest, however, is apparently permanent in human life; its nature and volume alone change as conditions change.

Social function of unrest.—The persistence of unrest on the part of the worker is often regarded as something decidedly discreditable to him. "What's the use of trying to improve their conditions if the fellows are never satisfied?" "The more they get, the more they want." Such remarks are often made by business men and employers. And it is true, as we have already noted, that the impetus for the improvement of the worker's status usually does not come from those who are most destitute but rather from those whose experience of some improvement has encouraged them to strive for still better conditions.

To blame this desire for more satisfactions, however, is to quarrel with human nature itself. The longing of the well-paid worker for an even better wage is not fundamentally different from the desire on the part of the millionaire to make another million. Doubtless the demand for higher wages and shorter hours may often be pressed so far as to interfere with the creation of that surplus of production over consumption upon which the progress of industrial society must ultimately depend; but it is idle to suppose that conditions can be improved by counseling the worker to cultivate a state of mind foreign to that of all other classes of society—contentment with his lot in life.

What is needed more than anything else, perhaps, is more light on the details of the industrial situation, so that the various working groups may see how far and in what ways their share of the wealth which they are helping to create may be increased without injuring the industry in which they are employed, and without disturbing the balance between their industry and the other industries upon which their welfare indirectly, but very really, depends. With more light on the whole industrial situation, there is some reason to believe that the unrest of the worker may be brought into clearer alignment with the forces which make for real human betterment. He, as well as all others in society, has a legitimate claim on the physical goods of life; and at the same time he is in need of a clearer realization of the limits both of what is possible and of what is desirable in the possession of these goods. To the extent that scientific investigation of the facts of industry can furnish the grounds for such a realization, to that extent we may expect that the worker's unrest may be raised to higher planes and take the form of a strife for the nobler rewards of life. Meanwhile, it is well to realize that what we call the worker's unrest is, though operating as yet mostly on the physical plane, a phase of human aspiration.

For Discussion

1. Is unrest limited to workers in industrial society?

2. What are the common channels through which unrest manifests itself as far as the wage earner is concerned?

3. Would you include strikes, boycotts, and demands for increased wages as signs of unrest?

4. The causes of unrest have been classified under five headings by one writer: (a) psychological, (b) moral, (c) political, (d) social, (e) economic. Try to give content to each of these headings.

5. Why are workers in general somewhat restive under present laws as administered by the police and the courts?

6. "The vague and conflicting nature of the law affecting workers is a source of unrest." Why, or why not?

7. How does the impersonality of modern work relations tend to aggravate unrest?

8. Did unionism have its origin in unrest? Does leadership have nothing to do with unrest?

9. "Unrest comes from a lot of foreign-born radicals."

"Unrest is being created every day by the conditions of American industry." Compare.

10. "People who prosper turn to radicalism only as pastime and not as a serious occupation." Discuss.

11. What phase of the business cycle are we passing through at the present moment? Do the theories cited in the text correspond with present facts?

12. Does labor become more or less able to survive business depressions as time goes on? How do you explain it?

13. Will a liberal employer have less labor trouble than a harsh one? What of steel corporations? Coal companies? Other concerns in your neighborhood?

14. Does expansion of population necessarily increase unrest? Why?

15. "America is the land of opportunity." To what extent is this true today as compared with 100 years ago?

16. "A young man has a better future in a big corporation than anywhere else." Is this true?

17. "This talk about decreasing ownership is nonsense. About one-quarter of a million people own stock in the American Telegraph and Telephone Company." Comment.

18. If unrest is permanent, why do anything about it?

19. Analyze each source of unrest. To what extent is each one permanent?

20. Illustrate each cause of unrest from your own experience.

21. Describe the workday experiences of the community in case the technology of society should change as suggested. Would "labor problems" disappear entirely? Would social problems disappear? Would society be better off?

22. "The inventor is the real revolutionist." Can you prove this historically? Are there revolutions not attributable to inventors?

23. Is it not true that individuals tend to adapt themselves to new modes of living in society and that unrest due to membership in an organization with centralized authority will tend to disappear?

24. "If promotions were perfectly objective, most of our labor unrest would disappear." What do you understand by an "objective test"? Attempt to formulate one for a particular job.

25. If you were a business man who wished to preserve the present order of society, what policies would you adopt toward the workers in your plant and what policies would you advocate in society at large?

26. If you were a labor agitator who felt that the labor movement was stronger, the greater the causes of unrest in the present order of society, what tactics would you use?

27. "The workers are today a conflict group. Unrest depends upon this fact and will not disappear until this fact disappears." Discuss.

For Investigation

Taunenbaum, Frank: "The Labor Movement," Part I.
Emphasizes the significance of insecurity.

Ogburn, W. F.: "Social Change."
Considers the factors bearing on cultural evolution. The place of inventions in the reconstruction of social processes and problems is of special interest to the student of economic society.

Park and Burgess: "Introduction to the Science of Sociology," Chapters VIII, IX, X.
Suggestive material organized under the categories of "competition," "conflict," "accommodation," together with extensive bibliographies.

CHAPTER XXIV

EMPLOYER'S ACTIVITIES

An employer finds himself in an industrial situation which establishes standards of judgment and in turn dictates his conduct. In the interesting case of Dodge versus Ford Motor Company, the State Supreme Court of Michigan laid down a formal statement of some of his obligations. The Dodge interests owned a minority of the stock, and were endeavoring to stop Mr. Ford's practice of re-investing profits in the business. Mr. Ford "declared it to be the settled policy of the Company not to pay in the future any special dividends, but to put back into the business for the future all of the earnings of the Company other than the regular dividend of five per cent monthly upon the authorized capital stock of the company—two million dollars." In justification of this policy, Mr. Ford was alleged to have set forth a humanitarian purpose in these words: "My ambition is to employ still more men, to spread the benefits of this industrial system to the greatest possible number, to help them build up their lives and homes." The court decided that it was the business of the employer to guide his industrial policies with an eye to the making of money for the investors rather than for general humanitarian ends.

The profits test.—This decision, of course, merely recognizes the enforceability of a standard which the business community informally imposes upon the employers. The success of the employing groups is measured primarily in terms of profit margins. This is the determinant of the ability of the employer to secure capital for the expansion of his business or for meeting current credit needs. Moreover, his personal rating in business and social life depends largely upon the aggregate of these periodic balances.

It follows, therefore, that in his labor policy the employer finds himself forced to test every alternative in terms of its pecuniary results. If an unprotected machine results in the injuring of three men during a year, but the complete cost of securing new workers and breaking them in, turns out to be less than the cost of installing mechanical guards, he finds himself scarcely justified on immediate financial grounds in making the innovation. Three legs lost may not warrant the capital expenditure; four legs lost may warrant it; five legs lost may demand it. Thus every type of human relation tends to be appraised in terms of dollars and cents. Even when the business manager feels inclined to install protective devices that do not show an immediate margin of return, he is likely to find it necessary to assume that the long-run accession of good will which comes from fewer accidents has a sufficiently large exchange value to protect his investors.[1]

A recognition of the drive of profit-seeking in modern industrial society, then, is basic; the manager exists to obtain the maximum return to the owners of the productive apparatus. And this imposes upon the employer the necessity of translating human relations of every kind into terms of income and expense.

Types of employers.—Among the thousands of employers in the United States there are many types of men, but the purpose of general exposition will be served by dealing with three general categories. We may think of them as the bellicose, the idealistic, and the conciliatory types.

The bellicose employer.—A large amount of social respect exists for the "two-fisted" fighter who insists upon the right of the employer to manage his business as he sees fit. He employs a vigorous and assertive vocabulary which is widely regarded as being as legitimate as it is picturesque. His social viewpoint dates from the days of the commercial revolution, which broke down the collective management of industry in the mediæval guild, and produced the independent enterpriser who took upon himself the unaided direction of industrial policies by virtue of his ownership of the productive apparatus. This new figure in society had to fight his way against the restrictions of ancient customs which were sometimes entrenched in the laws. From the battle with guild restrictions in Italian towns and the vigorous struggle with poor laws in England, the leaders of modern industry emerged with a clear-cut philosophy: "Let every man run his own business." "Keep out the meddlers."

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[1] It should be pointed out that such cool calculation upon the part of the employer has a defense. The whole assumption, in fact, of modern society is that financial profits and losses measured over a sufficiently long-time interval, constitute the best gauge of the amount of protection or leisure which society can afford. In the present statement of the situation it is not our purpose to blame or praise. It is a matter of common observation that the profit system works well in many cases, and it is likewise a matter of general knowledge, that in certain other cases the business man does not allow for a sufficiently long-time interval to select the most humane alternative.

For some time workers were not in a position to launch a counter offensive against such ideas, but in England they gained sufficient power to challenge the employers soon after the culmination of the battle against ancient regulations. The employers had their philosophy ready-made to meet this onslaught. In their eyes it stood for the re-imposition of intolerable restrictions, and they turned against labor the weapons of theory and practice which they had successfully forged in the earlier conflict.

Moreover, the tradition of absolute independence on the part of the employers was fortified by its success in the days when competition among producers was less intense than it became when production began to reach a more nearly stable relation with the market. Rapidly expanding markets meant that cost margins were relatively wide. The demand was for goods, more goods. Savings possible through better internal administration were ignored in the scramble for increased output.

As competition has become more intense among producers, the highest returns have been available to those who have canvassed the internal processes of their plants and have eliminated waste of an inconspicuous but real sort. Measurement has become the motto of the wise, and everything connected with industry is the subject of detailed inquiry. In this way the indirect costs of well-established industrial practices have been brought to light. The costs of a shifting labor force, for example, began to be apparent with the wide application of improved accounting methods, the innovation of elaborate cost analyses, the development of time and motion studies, and the subsidizing of research experts to elaborate industrial procedures; and this new-found knowledge, together with the rising strength of unionism, has resulted in the development of new personnel policies which are tending to supplant the "put up with it or get out" attitude of more primitive days.[2]

The idealistic employer.—The new situation in which the employer finds himself has tended to produce an increasing number of the idealistic type of employer. Social recognition comes to such employers from among those who accept the proposition that the prevailing order of industrial organization is and should be a transient one. They welcome any set of policies which are frankly designed to prepare the workers for a more complete industrial control. Thus the idealistic employer typically is likely to be the first to introduce some system of employee representation which guarantees freedom in the selection of representatives, and he may consult and secure the assent of this elected council before making decisions of general importance. Instances are on record in which the operation of the business has been vested entirely in the hands of the employees who were the oldest in point of service.

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[2] Labor shortage was the first fact that drove employers to consider labor turnover in a comprehensive way. Yet scientific methods at the same time were driving towards the same end.

The conciliatory employer.—Relatively rare, naturally, are the employers of the stamp just indicated. And men of this nature are readily confused with those of a conciliatory disposition. The conciliators are animated by considerations of expediency. If the idealist wishes to work a thorough-going change and recognizes, for example, the union as a means of workers' education, the conciliator finds himself allied with the idealist in accepting unionism when the union is strong enough to make such an attitude pay.

Financial pressure.—That many employers who deal with unions are of a conciliatory type is to be expected, for employers find themselves in the execution of "liberal" policies of joint control face to face with certain very hard facts which operate to discourage any departure from the more traditional paths of conduct. Men who have attempted to share management with their workers have sometimes found it impossible to secure credit from financial institutions. And this does not necessarily represent a deep-laid conspiracy to ruin the innovator. It exemplifies in many instances a wise precaution on the part of the financiers who have other people's money in their custody, and who view with necessary scepticism any departures from the established ways of doing business. "Liberal" policies have not always been accompanied by a decrease in the costs of production which strengthened the competitive position of the "liberal" company. There are examples of industrial wrecks which tried to adopt elaborate schemes of profit sharing and welfare work.

Administrative promptness.—Moreover, it is the very nature of an administrative position that decisions must be made with a reasonable amount of expedition. If the representatives of the employees are consulted, business procedure is likely to be retarded; indeed, it is likely to be doubly retarded by the circumstance that employees frequently reveal both a lack of interest and of competence to decide questions of industrial policy. Why should the administrator handicap himself voluntarily by the necessity of consulting oracles who so often need both an interest in his problems and an education? This comes to be the accepted viewpoint of many of the "square deal" employers.[3]

Personal achievement.—These considerations are especially convincing to the industrial manager who is fired by ambition for conspicuous success. It is, after all, a superficial analysis of industrial society which insists that money is the god of the business man; the ultimate stakes are not impersonal figures and piles of golden counters. The stakes are more likely to be power, a position of recognized reputability in society, a sense of achievement in the building of a great enterprise. A student of the trust problem has emphasized this point in the following words:

> "A successful organizer of business derives keen satisfaction from feeling that he alone is practically directing the destinies of a great people so far as his one line of business is concerned. Mr. Havemyer said that his ambition was to refine the sugar of the American people. Mr. Gates asserted that it was the ambition of the organizers of the American Steel and Wire Company to control the output of the world. This ambition will not be gratified by the control of merely a large business. Napoleon was not content to be the head of a great state. May not the ambition of a sugar king or a petroleum magnate well be of like imperial nature though in a more restricted field?"[4]

This "imperial nature" is a common attribute of mankind which is thrown into particular prominence in the case of those of driving force and conspicuous abilities. Why, may argue the business manager, should I hamper my future by submitting myself to the restraint of the ignorant or the misfit? If they want to control something, why don't they show sufficient initiative and vitality to accomplish it? And in the United States, stratification of industrial authority has not become so absolute but what there are conspicuous instances of from "office boy to president" and from "telegrapher to director." The petty jealousies and the arts of political manipulation,

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[3] This attitude of some employers is open, of course, to the question whether the unions cause more delay than is desirable. Often they cause no delay whatsoever, and in some cases—wage reductions, for example—it is unquestionably undesirable that change be made with little or no notice.

[4] J. W. Jenks, "The Trust Problem," page 75.

—these, would apparently be multiplied a hundredfold by the formal democratization of industry. While a man's opportunity for getting ahead in business is still relatively free, is not practical democracy actually realized? Thus does the conciliatory employer tend to reason.[5]

Summary.—The analysis presented above is designed, in short, to establish the proposition that the employer is a participant in an institutional situation which tends to penalize him, and perhaps those associated with him, if he departs from the role which society has come to expect of him. This role is fundamentally designed to secure maximum reputation and profits, and it proceeds by preserving the discretion of the business manager from "meddlesomeness" of the workers.

Special plans for labor relations.—One of the first movements to gain a foothold among American employers who sought to reduce labor costs was the sharing of profits. The usual plan is to calculate the profits of an establishment for a fiscal period of six months or a year and to pay a fixed proportion of them to the employees in the form of a percentage added to wages. The best results seem to come from a plan which is combined with stock-purchasing arrangements, since this gives added assurance to the workers that the profits are accurately calculated and serves the additional purpose of tying them closer to the company. The general theory of profit sharing, of course, is that the workers ought to share in the sum total of prosperity which they assist in creating, and they will take a personal interest in behalf of the business that gives them so much consideration.

Appraising profit sharing.—While there are examples of profit-sharing arrangements which are declared to be successful, they have often failed to gain the results anticipated, for the reason set forth by Halsey, an industrial engineer, in 1891:

> "The workmen have no means of knowing if the agreement is carried out. With their exaggerated ideas of the profits of the business, the results must be in many cases disappointingly small; and they will doubt the honesty of the division. What is to be done in such a case? Invite the workmen to appoint a committee to examine the books, and report? Most employers will demur at this, and yet without it the employees can have no assurance of good faith."[6]

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[5] It may well be that custom and habit, rather than a careful balancing of alternatives, account for this reasoning in defense of the traditional labor policy.

[6] "Transactions of the American Society of Mechanical Engineers," Volume 12 (1891), page 758.

Another difficulty in the profit-sharing scheme is that the profits are too small and too long postponed and too unrelated to variations in individual effort to give the maximum productive incentive. Furthermore, it is doubtful if the worker is interested as much in the uncertain results of profit sharing as he is in security.

Scientific management.—Fundamentally, scientific management endeavors to analyze the work of supervision and of manual labor into distinct tasks, and to distribute these tasks in such a way that each supervisor and each group of workers shall have so few distinct tasks as to be able to work them at the highest efficiency. This involves "time and motion" studies to determine the exact operations performed, and this brings suggestions for short-cutting operations. It also encourages the splitting up of skilled processes into many unskilled and speedily accomplished details. It is associated with systems of wage payment which are designed to penalize production that is not up to a standard established by trial tests, and to reward production which is in excess of this standard.

It is at once apparent that the system, from the standpoint of labor, possesses great dangers as well as constructive possibilities. By splitting up skilled operations, scientific management tends to eliminate the independent craftsman and to substitute low-paid labor. The output standards may be justified by the employer by pointing out the production established by pace setters who are paid a secret bonus. The piece rates may be "shaved" when output tends to exceed the standards. The whole system may and has in cases emphasized the competitive gains possible to the rapid workers, and has tended to introduce cleavages in the ranks of the labor force which are inimical to collective union action.

The opportunities for abuse in scientific management always have been recognized by the proponents of the idea, and hence there has been emphatic insistence upon the necessity for a "complete mental revolution on both sides" in which "both sides take their eyes off of the division of the surplus as the all-important matter" and substitute "hearty, brotherly co-operation for contention and strife."[7] The study of the actual operation of systems of scientific management revealed to Professor Hoxie, that the impartial, objective, and broadly-trained man "emphatically is not the type of man who is habitually engaged in time-study work" and other branches of the system.[8] Thus scientific management has not commonly operated to solve the problems of the employers, and in the eyes

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[7] See the testimony of F. W. Taylor before the Special Committee of the House of Representatives to investigate the Taylor and other systems of shop management.

Courtesy National Safety Council.

He Broke His Glasses But Saved His Eye!

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[8] Professor Hoxie's investigation was made for the Commission on Industrial Relations in 1915 and the results published in his volume on "Scientific Management and Labor."

of labor the movement has often been condemned as a disguised tool of the reactionary employers who are anxious to deprive the workers of the value of their skill and their organization.

In recent years the practice of scientific management as a solvent for strained employer-employee relationships has been supplanted to a large degree by employment management and joint management plans. The former involves the bringing in of trained men to the business, men who have centralized control over labor relations. This idea has developed out of the growing sense of the ramification of labor problems connected with industrial procedure. A new emphasis has been placed upon "the cultivation of morale" and "man-to-man relations" in industry which recognizes that modern business must control not merely the physical motions of its employees, but what they think and say about business policies. The difficulties arising from the attempts to administer profit-sharing plans and devices for scientific management called attention very forcibly to the "psychological factor" in industry.

Various plans of employee representation appeared largely as a result of the War emphasis upon the democratization of every field of social life. The experience with these various schemes seems to reveal substantial difficulties. If the workers' representatives are only consulted to determine the uniforms of the company baseball team, interest is not sustained. And if the workers' representatives ask to have complete access to the books and a voice in the determination of industrial policy with reference to a proposed shutdown, the employers themselves lose interest. In England five members of the committee appointed by the British Government in 1916 to supervise the formation of shop committees reported that:

> "While recognizing that the more amicable relations thus established between capital and labour will afford an atmosphere generally favorable to industrial peace and progress we desire to express our views that a *complete identity of interests between capital and labor cannot be thus expected*, and that such machinery cannot be expected to furnish a settlement for the more serious conflicts of interest involved in the working of an economic system primarily governed and directed by motives of private profit."[9]

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[9] Professor Sumner H. Slichter has made the following observation upon plans of joint management:

"Of vital importance to the employers who contemplate experiments with joint

Employers, in fact, have been compelled to shift from one tract to another in the hope of staving off labor encroachments upon their power, of reducing the cost of labor change, and of stimulating workers so that profits may be continued or increased.

Personnel administration.—Labor shortage and the fear of unionization, during the period in which organization was spreading rapidly, have been principally responsible for the sudden interest in personnel administration. Experience with personnel administration convinced many employers that a liberal labor policy would pay, not simply as a temporary expedient to tide over a particular period, but, as a permanent policy. On the other hand, many who swung to personnel administration, especially during the late War period, reverted to old policies as soon as supplies of unemployed were waiting at the company gate.

No attempt will be made here to go into the detail of personnel administration, but there are a few considerations which tie up directly with the purpose of this book. Personnel management should not be viewed as an isolated phenomena aimed only at reducing costs and increasing output. It is a part of a larger struggle between employer and employee which we

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management is the tendency in it to evolve other forms. Joint management may be divided into two classes. One type does not give, and is not intended to give, the workers a real voice in making decisions. It is intended merely to provide agencies of communication, to put the management in closer touch with its employees, to give it more complete and accurate information of their views, and also to provide means of reaching the workers, machinery by which the management can explain and 'sell' its policies to them. The second type gives the workers, on paper at least, a voice in determining policies.

"It may be granted that organizations which improve communication between men and management are in themselves advantageous to the management. But are such organizations likely to function indefinitely as mere agencies of communication? Sooner or later will they not provoke a demand by the workers for a real voice in making decisions? In seeking the advice of his employees, the employer concedes that their views are entitled to consideration. Encouraged by this concession will the workers consent to their views having merely the weight of advice? Will not giving advice, expressing views, merely whet their desire to participate in making decisions?

"But is a shop organization, which has a real voice in determining policies, an advantage to the employer? Perhaps as long as he can dominate it by prestige and by superior ability to present his case, it is. But can he be sure of his ability permanently to dominate the organization? There are important differences of interest between employers and employees. And sooner or later will not these crop out and produce conflict? Then the management has two alternatives—either to compromise liberally; or, by refusing, to sacrifice the good-will so laboriously created. And if a liberal compromise is refused, or obtained only with difficulty, is not the next logical step for the men to feel the need of a real union with strike funds, paid representatives, and national affiliations?"

see reflected in the most manifest way in labor organizations as well as in employers' associations. To a large degree, it must be interpreted as the enlistment of scientific aid by the employer in his contest with labor.

Nor does it follow that such an institution operating as a backfire to unionism may not prove beneficial to both employer and employee. It would be a hasty conclusion that found the only promise for the worker in unionism as it now is. Moreover, with the entrance of the employer into the contest of bidding for employee's good will in competition with the unions, it may well be that the strategies of organized labor may be appreciably revised in light of this recent development.

Reasons for employers' associations.—People who are not in sympathy with the aims and methods of organized labor are likely to explain the existence of employers' associations as a means of defense against the unjust demands of labor unions; and labor sympathizers, on the other hand, may explain the existence of labor unions as a defense against the repressive organizations of the employing class. Historically, it may be said that the labor union emerged as a significant force in the class struggle somewhat earlier than the present organizations of employers, but the two types of organization are better understood as logical counterparts under the system of modern capitalistic society.

That the emergence of labor unions as an industrial power should have slightly preceded the formation of the present type of employers' associations, is to be ascribed to the obvious advantages which the employer originally possessed in bargaining with the unaffiliated laborer. The development of the machine had transferred the tools of production from the worker to the employer; the labor market was usually overstocked as a result of unrestricted immigration; the entrance of women and children into industry, and the pressure from among his fellow workers competing for jobs—all this forced the workman to deal with a foreman whose job depended upon making a good bargain for the employer. Consequently the individual worker usually had no alternative but starvation, or at least no job, if he refused to accept the employer's terms.

Possessed of such advantages as these in dealing with the individual worker and divided among themselves by the rivalries of intense competition, employers did not resort to permanent organization until they were compelled to do so through the power of collective bargaining which the labor unions were beginning to develop.

After the formation of powerful labor unions, however, the unassociated employer often finds himself at a disadvantage quite comparable to the disadvantages of the unaffiliated worker in dealing with the employer. International unions are able to support officials who give their entire time to the promotion of collective bargaining and the various means of combatting all types of employers. Engrossed in the problems of the management of his business, the individual employer is likely to be out-manoeuvred by the salaried specialists of organized labor who are well versed in all the intimate details of strikes and boycotts and are up-to-the-minute in their knowledge of law and legislation as affecting labor matters.

Development of employers' associations.—According to Bonnett[10], the growth of the modern type of employers' association may be dated from 1885 and may be conveniently classed under three heads: (1) the beginning of national associations; (2) the development of negotiary associations; (3) the development of belligerent associations.

National associations.—The years 1885 and 1886, a period of many strikes and labor disturbances, witnessed the beginning of the decline of the Knights of Labor and the organization of the American Federation of Labor. To combat railroad strikes, the General Managers' Association was formed in 1886 by the executives of 24 railroads centering in Chicago, and in the same year the Stove Founders' National Defense Association was formed to combat the Iron Moulders' Union. In 1887 the United Typothetae was formed to resist the demand of the International Typographical Association for an eight-hour day. During these years numerous lockouts were ordered by local employer associations. With the crushing out of the Knights of Labor, the national associations languished till they were called into activity once more in the nineties by strikes in the mines and on the railroads. In 1894 the General Managers' Association succeeded in breaking up the Railway Union.

Negotiary associations.—An employers' association that recognizes and makes agreements with a labor union is known as a negotiary association. Some associations originally belligerent, later became negotiary. Such was the case with the Stove Founders' National Defense Association which began in

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[10] "Employees Associations in the United States."

1891 to negotiate with the Iron Moulders' Union which it was originally formed to combat.

Negotiary associations reached their greatest development in the period from 1898 to 1902, when the Spanish-American and South African wars stimulated trade and thus created an increased demand for skilled labor. As Bonnett points out, however, this stimulus was not the only reason for negotiations with the union:

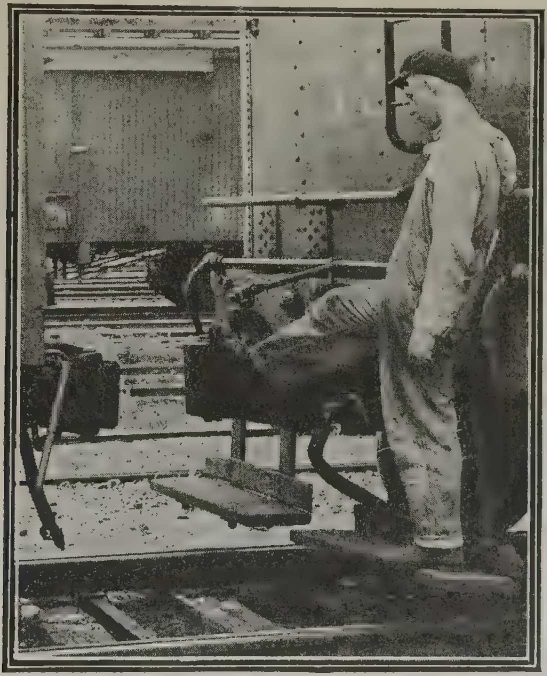
> "This period of the highest development of negotiary associations practically coincides with the greatest development of the formation of trusts and other similar business combinations to control prices. The realization of increased profits by business men in this period led them to believe that even still larger profits might be obtained by combinations to control prices. Business men utilized labor unions in forming such combinations. Negotiary associations made trade agreements with certain unions, and by means of these generally forced the independents to come into the combination or to conform to the prices set by the combination if their businesses were not ruined. The history of the building trades of the period is replete with instances of such conspiracies. It was a situation that produced strikes, and in certain cases gave dishonest labor leaders an opportunity to 'graft' off the combination, and thus force it to divide some of its great profits, or to 'hold up' the independent at every turn."

Belligerent associations.—A belligerent association may be defined as one which has for its primary object the destruction of unionism. From about the beginning of the century up to the time when the United States entered the World War, there was a strong tendency for employers' associations to abandon the policy of trade agreements and assume a definite opposition to the unions.

That these associations have secured a large measure of success in the application of this program is shown by the outstanding events of the industrial struggle of the early years of of the twentieth century preceding the World War. Though the unions succeeded in obtaining a Federal eight-hour-day law and secured the passage of the Clayton Act to exempt unions from the application of the Sherman Anti-Trust Law, the employers won the Danbury Hatters' Case, successfully prosecuted the leaders of The Structural Iron Workers, and later through the decision of the Supreme Court, scored a victory even in the case of the Clayton Act, which was found to afford unions no protection against the

Sherman Law, but, on the other hand, to facilitate the use of the injunction against the union.

With the entrance of the United States into the World War the efforts of the employers' associations were temporarily checked. The shutting off of immigration, the drafting of many workers into the army, and the great European demand for American goods caused a sharp competition among employers to obtain helpers, so that the workers enjoyed a brief period of high wages and secure employment, and the unions gained in membership and power.

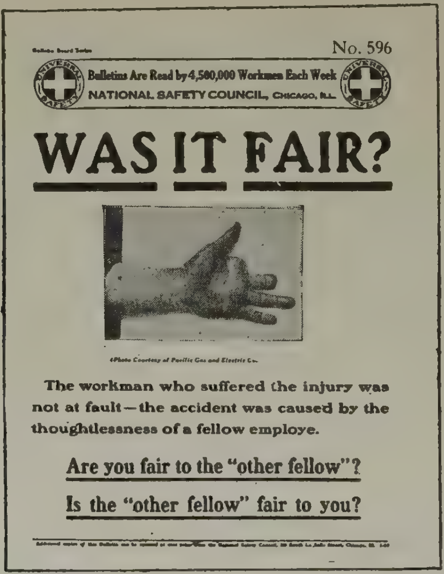


Courtesy of the National Safety Council

Kicking the Coupling Sometimes Means a Smashed Foot

With the close of the War and particularly throughout 1921–1922, however, the advantage again passed to the employer. Immigration, although as yet somewhat restricted, was resumed; many women, called into industry during the War, retained their positions; Southern negroes came north in large numbers. All these things tended to glut the labor market and to enable the employer to dictate wages and terms of employment. At the same time capital shrank and deflation lowered profits. The year 1923 witnessed an industrial revival which decreased the employers' advantages of 1921–1922, but these associations, nevertheless are working with some degree of success.

The National Metal Trades' Association.—The workings of a successful employers' association may be illustrated by the program and activities of the National Metal Trades' Association, though the reader must be cautioned against the inference that there is any clear type in so diverse a field. The functions of this association include: educational activities, accident-prevention, legislative activities, prevention and combatting of strikes, opposition to the boycott, and the recruiting of workers.



No. 596

Bulletins Are Read by 4,500,000 Workmen Each Week

NATIONAL SAFETY COUNCIL, CHICAGO, ILL.

WAS IT FAIR?

Photo Courtesy of Pacific Gas and Electric Co.

The workman who suffered the injury was not at fault—the accident was caused by the thoughtlessness of a fellow employe.

Are you fair to the "other fellow"?

Is the "other fellow" fair to you?

Courtesy of the National Safety Council.

Employers' Campaign for Safety

Educational activities.—Circulars are sent to firms which are not members of the association with the object of inducing them to join; bulletins are sent to all members to keep them in touch with the aims and methods as they develop; and, in their special publication, *The Open Shop Review*, a great effort is made to convince both the general public and the employees that the interests of the worker are best conserved by abandoning unionism and co-operating with the employer in his professed attempts to run his shop on an efficient and human basis.

Prevention of accidents.—Under this phase of its work the association attempts to induce all its members to install efficient safety devices, and publishes and puts into the hands of employees articles designed to educate them in the avoidance of risk and the preservation of health. Such a program, of course, possesses the triple value of protecting the employer against payments for damages to injured workers, of disarming one of the pleas of unionism based upon the alleged indifference of the employer to the safety and welfare of his workers, and, possibly of securing more willing and constant co-operation from workers.

Legislative activities.—In its legislative activities the association sends representatives to party conventions to prevent, if possible, the insertion of planks favorable to the workers' cause, and seeks to influence the policies of both National and State legislatures. Its dealings with legislatures naturally have both a negative and positive phase. On the one hand, it opposes such measures as eight-hour bills, bills directed against the transportation and use of strike-breakers, bills legalizing the boycott, and bills designed to limit the employers' use of the injunction in labor disputes. On the other hand, it fosters bills to limit the use of explosives so as to lessen the amount of terrorism in strike disturbances, and bills to promote industrial education in the public schools in opposition to the attempt on the part of skilled workers to maintain the value of their services by limiting the number of apprentices. In some cases the association supports mild measures favorable to the workers, such as a workmen's compensation act for many reasons, among which, perhaps, is the desire to forestall the passage of some more extreme measure at the instigation of the unions.

Prevention of strikes.—To prevent incipient unrest in the shops from developing into organized strikes, the association has maintained what amounts to a system of espionage through the medium of what are called "special contract operatives," who report to the management any murmurings of discontent which they hear, and indicate the individuals who seem to be responsible for them. The association, moreover, uses every means to induce its members to maintain a concerted policy on the part of the whole group, to refrain from incautious statements which may provoke trouble, and to forestall strikes by maintaining, in their respective shops, wages and working conditions which are reasonably satisfactory.

Combatting of strikes.—The association maintains a standing committee to whom the firm members are under obligation to report all strikes and threats of strikes. This committee demands from the particular employer a thorough written statement of the causes and conditions of the strike in his shop, supplies workers to take the place of those on strike, and takes the necessary measures to insure the personal safety of these strike-breakers through special guards and legal injunctions. Any member of the association who makes a separate agreement with a union is immediately expelled. The association, in addition to these activities, conducts an employment service.

Opposition to boycott.—In opposition to the boycott the association has devised a system requiring all its members to give preference to the products of the boycotted firm, and makes agreements with other associations to secure an even wider demand for the boycotted products. It further retaliates by restraining its members from advertising in union publications or purchasing tickets for any kind of entertainment designed to raise funds for union use. And, finally, it exercises a powerful opposition through blacklisting employees of any firms throughout the association who are suspected of supporting the boycott.

For Discussion

1. Summarize for yourself the tests of success which are imposed upon the worker in modern society. Just how does the position of the industrial manager as presented in this chapter differ from it?

2. Does a humanitarian policy always pay a business "in the long run"? Can you cite examples of business policies which have paid "in the long run" but which did not yield return immediately?

3. What are the differences in the policies of a business which expects to exist indefinitely, and a business which expects to operate for a short time in one place?

4. Some of our most successful employers are said to be twenty years ahead of the law and ten years ahead of unionism. What does such a statement imply?

5. What is meant by the term "the profits system"?

6. "Profits represent a payment for alleged services." What services are usually "alleged"? Are they worthy of reward?

7. "The man who puts his money in the business takes the risks. To him should go the surpluses." Does the worker take any risks? Does the public take any risks? Should these share the surpluses? Do they?

8. "Society takes a risk every time a business is started. Business may waste natural resources that can never be replaced, it may cater to a human weakness which destroys manhood, it may seek to entrench itself in a nest of special social privileges." Discuss.

9. "Profits are the rewards of uncertainty. Uncertainty as to the outcome of a venture—be it the acquiring of an education or the digging of a million tons of coal—is universal, and even government operation of business would not eliminate either uncertainty or profits." Does this statement seem sound?

10. Is not the profits system basic to progress?

11. "I like to see a man that runs his business as he thinks best and won't take dictation from anybody." Historically, when did this point of view become part of the social heritage of our people?

12. "The private employer often wants to be let alone to work out his own destiny, but if uncontrolled he may do so at the expense of other men." Discuss.

13. Account for "idealistic" employers in business. Do you expect them to increase or decrease in numbers?

14. Interview an industrial manager and try to work out some quantitative idea of the costs of a changing labor force.

15. Find as many cases in your locality as possible which illustrate the various policies used by employers to hold their workers. How does each policy work?

16. "It is perfectly possible to eliminate industrial unrest by impressing upon the employees that the company is fair to them at all times." How are they to be "impressed"?

17. "After all, business is a human relationship. The employee who thinks of the business in terms of loyalty to hard-

working, upright, and able men will not wilfully injure it." Is this true? How are the workers to be made to think this way?

18. Shop committees are criticised by a minority because "complete identity of interests between capital and labor cannot be thus affected." Does this mean that shop committees cannot play a useful function in business?

19. Discuss the policies of employers' associations from the following standpoints: the situation out of which policies grow, the types of employers who support them, the success of the policies.

20. Try to formulate your labor policies, assuming that you are head of a manufacturing plant. Suppose you are head of a large department store. Would there be differences, and if so, why?

21. How do you account for the existence of employers' associations?

22. Demonstrate how an individual employer might be at the mercy of organized labor.

23. What are employers seeking that they should organize into associations?

25. What are unions seeking?

26. Why should you expect to find unions and employers' assocations arising and developing about the same time?

27. Why should there be separate organizations for employers and employees? Are not the interests of the employer and the employee the same?

28. List the common activities of employers' associations?

29. Why are employers organized not only locally but also into county, state, and national organizations?

30. Draw up a classification of employers' associations according to the purpose of their existence?

31. Why should you expect to find almost every important feature of trade union organization among employers' organizations?

32. Do the practices of employers' organizations differ essentially from those of unions? What are their practices? Do

they all practice the same methods? Do unions all practice the same methods?

33. The League of Industrial Rights is organized "to maintain law and order and individual liberty in the field of industrial relationships." Would you expect the American Federation of Labor to adopt a similar declaration of purpose? Why, or why not?

34. No member of the National Founders' Association is permitted to make a settlement with striking workers without the consent of the administrative council. Why should such a provision exist?

35. What social good might be accomplished if employers were well organized to deal with workers equally well organized?

36. "If you want to understand what employers' associations want, draw up a list of what the organized workers want." How would such a list serve to indicate what employers' associations are seeking?

37. "The blacklist, lockout, labor spy, company union, professional strike breaker, the employers' lobby are but logical counterparts of union devices." Name the union devices.

For Investigation

Bonnett, C. E.: "Employers' Associations."
Describes the functions of various types.

Brissenden, Paul, and Frankel, E.: "Labor Turnover in Industry."
Summarizes the results of surveys conducted for the United States Department of Labor and makes important technical contributions to the subject.

Commons, J. R.: "Industrial Goodwill."
By all odds the most penetrating and philosophical study of personnel administration which has yet appeared.

Hoxie, R. F.: "Scientific Management and Labor."
A careful field survey preceded the preparation of this book which places scientific management in its proper perspective.

Link, H. C.: "Employment Psychology."
A comprehensive manual which states the practical applications of psychology to personnel management.

Tead, Ordway, and Metcalf, H. C.: "Personnel Management."
An adequate summary of the field.

Williams, J. M.: "Principles of Social Psychology." Chapters V–XI.
The conflict of interests in economic relations is illustrated with painstaking fullness.

Gilbert, F. B., and L. E.: "Applied Motion Study."

Taylor, F. W.: "Shop Management."

Webb, Sydney: "Works Manager Today."

Emerson, Harrington: "The Twelve Principles of Efficiency."

Gantt, H. L.: "Work, Wages and Profits."

The above represent a brief selection of books dealing with various specific types of human engineering.

PART VI

THE ASSERTION OF PUBLIC INTERESTS

What of the party of the third part? The public, as both worker and employer, producer and consumer, finds itself involved and confused in the cross currents of opposing interests, philosophies, and activities. Yet amidst it all a process is going on.

CHAPTER XXV

AROUSING COMMUNITY ACTION

Suppose we were able to make a vast and composite moving picture of the people of our country at the present moment. There would, perhaps, be millions of boys and girls in grammar schools and high schools, thousands of young men and women in colleges and universities, hundreds of travelers going from city to city, millions of farmers plowing or reaping, an army of housewives sweeping the parlor or preparing the next meal in the kitchen. Wherever we look there would seem to be scarcely any one of the one hundred and fifteen million citizens of the nation giving so much as a moment's thought to the great problems which have sprung up in connection with our industrial life. Everyone is so engrossed in the petty routine of his daily activities that he seldom stops to think of the larger scheme of things in which his own problems and activities are, after all, but an infinitesimal part.

Yet it is a matter of common knowledge that the community does exert an influence on the problems involved in the relations of employers and employed. We have but to listen to the conversation of people on the street cars or in the clubs to come across repeated and emphatic expressions of opinion which are of importance in the modification of industrial relations. We have but to turn through the laws of Congress or of our forty-eight State legislatures at any session to be impressed with the volume of laws which relate to some aspect of "the labor problem." The community does influence the relations of employers and employed by its opinions and by its laws. This process is called the process of social control, and its two aspects are termed informal and formal modes of control.

Informal modes of control.—Consider this case: A rumor arises and spreads that a certain factory is hiring child labor and paying "starvation wages." Very soon people begin to criticise the officials of the business and to characterize them as "grasping," "selfish," "inhuman." Newspaper editorials may catch up the cry. Preachers may allude to the duty of man to man in their sermons with thinly-veiled applications. The family of the officials may stumble across the prevailing opinion at social functions, or at school. One of the most fundamental human wishes is for a good reputation among the members of one's own group, and when the air becomes charged with these criticisms, the managers of the industry under fire may change their methods. If the loss of reputation is not a sufficient influence they may fear possible government interference in their business, for when informal devices are not adequate to accomplish a purpose thought desirable by the community, more drastic measures may be taken.

The informal pressure of public opinion is more effective in small than in large communities because of the more direct way in which expressions of social disapproval reach the culprits. When an industry is dispersed through many cities, a better organized pressure is needed. This is sometimes secured through the mere publication of facts by an agency believed to be impartial. The report on the steel industry which was made by the Interchurch World Movement in 1920 did much to put the steel industry on the defensive, and although the facts cited were challenged as unfair in many particulars, they found very widespread acceptance. There have been occasional "muck-raking" periods in journalism in which the alleged abuses of industry have been set forth to the public and have, by constant repetition, impressed themselves on the public mind. The famous novel by Upton Sinclair, "The Jungle," purported to reveal the revolting life led by the employees of the Chicago meat packers; and it was very influential in stimulating certain reforms. Investigations conducted by the Government into child labor conditions in the United States have also been effective in arousing the public.

Formal modes of control.—When informal criticism fails to improve conditions there is practically always a demand for legislation, that is, for formal intervention by an agency representing the pooled force of the community. A whole mass of rules has been laid down by the legislatures of our governing units, such as "Women shall not work on night shifts more than eight hours," "Children shall not be employed before they are sixteen years of age," "Coal mines must have at least two escape shafts," "Wages must not be agreed upon at levels below a minimum prescribed by wage-adjusting boards," and scores of similar commands.

The trust in legislation as a cure-all for social diseases is a comparatively new thing in society. For over a thousand years our Anglo-Saxon forefathers never dreamed that new social regulations could be prescribed. When a king enunciated a rule, he was always supposed to be declaring the legality of a custom already in existence. Social relations were governed by a "cake of custom" which was accepted as part of the eternal fitness of things. It was only with the appearance of new social conditions growing out of expanding communication and accentuated by the industrial revolution that old customs were found to be no longer applicable, and the necessity for new rules became so obvious that the fiction which attempted to uphold the continued adequacy of declared custom could not long be sustained.

The reliance upon legislation as a means of social control has frequently produced many difficulties. Laws are sometimes secured by the energetic lobbying of opinionated minorities, which have little support among the public in general. Immediately the Government is confronted with almost insuperable difficulties of administration. Laws forbidding the employment of children below a certain age have often been violated or evaded in some localities, with the connivance of officials, because the overwhelming majority of the public was not educated to support them. When children are the only support of widowed mothers, or when the children of a working community have always gone to work at an early age, the law stands in the path of community sentiment, and it is usually the law which bends. The modern social reformer has come to expect less from statutes and more from the slower processes of education.

Thus far we have spoken as though the passage of laws represented the chief mode by which social attitudes were formally imposed upon the entire community. But this is only part of the truth. In many respects it is the courts which, independently of explicit legislative enactment, give the most effective means of control. The reason for this is that the courts administer a body of rules and regulations, a large part of which was developed before statutory law came into existence. The United States has inherited the Common Law from England where it was developed through many centuries of social experience. It has been said that, in England, "if all the statutes of the realm were repealed, we should still have a system of law, though, it may be, an unworkable one; if we could imagine the Common Law swept away and the Statute Law preserved, we should have only disjointed rules torn from their context, and no provision at all for many of the most important relations of life."[1] In the United States there have been many attempts to codify the Common Law in statutory form, yet this statement with modifications is largely applicable to the United States.

The courts have developed many devices for the protection of the community against the action of recalcitrant elements within it. If irreparable damage were threatened to industrial property and the courts could not intervene, it is morally certain that the possessors of the property would use every means at their disposal to save it from destruction. It is obviously dangerous to provoke individuals or groups in the community to take force in their own hands, for there is no guarantee that the peace of the community may not be disturbed by bloodshed. The courts have developed doctrines which admit of their intervening to protect property from irreparable damage.

The law which is administered by the courts is in their hands a constantly growing and changing thing. As social conditions change and social ideas of right and wrong undergo modification, the courts reinterpret their rules in order to square with the new public attitudes.[2] Since the legal theory is that the courts are applying absolutely fixed rules which have been precisely defined by precedent, this represents a slowly evolving readjustment of which the judges are frequently unconscious. During a period of rapid changes in the nature of social relations, new situations are constantly appearing and new standards of judgment are spreading through the community. The courts are frequently unwilling or unable to reinterpret their doctrines rapidly enough to fit the requirements of the period, and the impatient public is likely to demand statutory relief. Modern social legislation is especially concerned with the condition of the workers which the antiquated legal doctrines will not permit the courts to relieve.

Occasions of community action.—Community action, informal or formal, is ordinarily somewhat difficult to observe and measure on account of the extreme preoccupation of individuals with their own affairs. But there are some occasions in which the public is stirred to spontaneous action, and agitations are always under way which are meant to culminate in induced action.

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[1] Geldhart, "Elements of English Law," page 9.

[2] See an example in "The Personality of Associations" by Harold J. Laski in the *Harvard Law Review*, Volume XXIX, Number 4.

Spontaneous action.—There are times when the public is buzzing with excitement. People are busy reading and discussing some matter which has been brought to their attention. True, this spontaneous public interest is generally a sporadic thing; its energy is spent feverishly, and then it dies. But while it lasts it serves a useful purpose. For many years the city of New York tolerated wretched tenement districts in which disease, immorality, and crime raged. The people of power and influence were busy about their own affairs, and although they were vaguely aware of the tenement conditions, the situation did not cause an overwhelming cry for corrective legislation. Suddenly the children in a number of wealthy homes began to fall sick from a loathsome disease. Someone traced the disease to goods purchased in a Fifth Avenue store, goods which had been contaminated in the filthy homes of garment workers. The news was received with intense interest, talked about, believed. People called to mind fleeting recollections of tenements which had been portrayed at lectures, or which they had seen on a tour through the East Side. The upshot of the matter was the passage of a building code designed to improve housing conditions. Spontaneous action came in this instance, as it so often does, from the self-interest of persons whose social philosophy was too slender to concern itself unless some personal and immediate interest was at stake.

Action to help the distressed.—The community may act because a dramatic crisis reported in the news calls forth its sympathy for a distressed group. In the case of the Cherry Mine disaster already referred to, the people of Illinois and of the entire nation were aghast when they heard of the horrible deaths. For days the newspapers told of the heaps of dead, of the suffering of widows and children, of the heroism of the rescuers. Newspapers wrote editorials to arouse the public. Letters were written to the press for publication. Sermons were preached on the duty of the community toward those of the community who faced danger. Writers dug up records of other mine accidents and filled the papers with vivid stories of the mining risks. Members of the legislature began to ask questions. And what came out of it all? A commission investigated the facts, and on the basis of the situation, the legislature revised the coal-mining law of the State to compel the installation of fire-fighting apparatus at convenient places within each mine, and enacted a series of other preventive measures. Here we have an example of spontaneous action that was conditioned upon humanitarian, not selfish, motives.

Why action is not always spontaneous.—Unanimous action with regard to labor conditions is, in reality, the exception and not the rule. Often the situations are in themselves dramatic, but the reports of what happens may be so contradictory or reveal a situation upon which there is so much division of opinion that nothing is done.

Year after year the United Mine Workers of America sent organizers into West Virginia. "Union conditions aren't safe as long as non-union conditions exist," they said. The coal companies regarded the organizers as agitators and disturbers of the peace. "Quit meddling," they retorted. "If the miners work in our mines, they work non-union. If they don't want to work in our mines, let them stay out. Anyhow, we don't want foreign interference with the management of our own business." Mine guards were hired. Union men were escorted out of the community. Disturbances occurred; murder resulted. For years this warring situation existed; it exists today.

In the instance just cited the community was not agreed on what action should be taken. Some sympathized with the miners and some with the employers; as a result, concerted action was impossible. Conflicting interests had to be reconciled, and the facts of such situations had to become generally known before there could be the unanimity of opinion that must precede community action. Only when public rights are being encroached upon do individuals and groups come together and set out to secure community control.

To understand the existing barriers to common action one must call to mind the vast differences in the lives of America's workmen. As an aid in understanding the obstacles that stand in the way of concerted action, suppose you picture their experiences in terms of what certain groups, say the coal miners, face in contrast to what other groups, say the casuals, the steel workers or the agricultural workers, face. Then contrast each of these variations in experience with your own experience, and with the experiences of others with whom you are acquainted. Give concrete meaning to terms you have read about in this text, such as specialization, impersonal relations, immigration, money economy, ignorance, prejudice, risks, fears, tenements and comfortable residences, poverty and riches, employer and employee, American, Italian, Lithuanian, Russian, Mexican, white and colored, Democratic and Republican, Catholic and Protestant, the striker and the public, the farmer and the middleman. Draw a circle about all these inconsistencies in the community and call the result enclosed a city, a state, or a nation. Then it will be possible to form some conception of the difficulties that lie in the way of united action on the part of peoples.

Sometimes spontaneous action never comes into being because no dramatic situation exists to disturb the preoccupation of the public. Very few dramatic situations have existed to call attention to child labor. The few who have known about this social evil have been forced to educate the public by degrees.

Induced community action.—When the community is hopelessly divided on situations dramatically revealed to it, and when the community does not have certain matters dramatically revealed to it at all, agitation is necessary to prepare the basis of agreement. Among agitating groups some aim to secure immediate and tangible benefit from community action; these may be called "special interest" groups. Other agitating groups receive no immediate pecuniary benefit from their efforts; usually they are called "general interest" groups.

The special interest groups have definite objectives—they want what they want when they want it; and they know, often all too well, how to go about getting it. The general interest groups, on the other hand, often have no definite program; they have in mind general principles and programs—and generalities do not always yield concrete results.

A word of caution is not out of place at this point. It should not be supposed that all special interest groups are opposed to the public interest, and that all general interest groups are necessarily working for the public interest. A business man may want a law passed protecting certain kinds of property, and this may be very desirable both from his point of view and from the point of view of the community. An enthusiast may want the community to saddle its future with indebtedness in order to build a vast and imposing city hall, even though he expects no pecuniary advantage from the operation. It is not necessarily a compliment to be called a member of a general interest group, nor is it necessarily an indictment to be considered a member of a special interest group.

Among the organizations agitating in the field of industrial affairs and immediately interested in the outcome are the legislative and publicity committees of the city, state, and national Federations of Labor. Sometimes opposed to them and sometimes working for the same goal are employers' associations of various kinds. Many Northern manufacturers worked with the labor organizations to urge the Government to abolish child labor, not only because of general interest in helping the handicapped, but also in the hope of removing the threat of competition from industries employing cheap labor in child-labor States.

No less important than the "special interest" organizations are such "general interest" organizations as the Women's Trade Union League or the American Association for the Promotion of Labor Legislation, civic organizations of various types, women's clubs, reform periodicals, whether of progressive, radical, conservative, or "stand-pat" tendencies. Through the channels of these organizations, and because of their activities, the opinions of many citizens are mobilized who desire to help the handicapped ones of the community to restrain the actions of those who seek to take the law in their own hands, to prevent struggle from falling to a plane where brute strength determines the verdict; in brief, to realize their theories of truth and justice. Partisans with special interests to exploit cling to groups of this variety; but on the whole, the function of such organizations is that of agitation for ends in which they have no immediate and tangible profit.

What the workers have done.—At this point one may very well examine in more detail what the people most directly concerned, the workers, have done in agitating for changes that they most desire. Here it is necessary to consider first the skilled worker and then the unskilled. The skilled workers, especially when organized, having some leisure, money, and education, have been able to agitate for many changes which concern themselves. But workers who are both skilled and organized are but a small portion of the working population, and even this small part has done little to advance the cause of most of the unskilled groups. It is the unskilled workers, of course, who are the most heavily handicapped by maladjusted social conditions, and they are the very ones who do least to alleviate these conditions. They may be so accustomed to insanitary housing that the idea of living in better homes does not appeal; they may be so steeped in immorality that they do not care to change their state. Even those among them who cherish high ideals of living are so submerged in the daily struggle, so ignorant of how to proceed, as to be unable to raise an effective cry for change.

The role of the privileged.—If the unskilled are to be offered new standards, or compelled to adopt them, the initiative must come from elsewhere within the community. Unorganized, inarticulate, often lacking the attributes of decent living, the unskilled workers themselves can do little. The source of their advancement can be only the economically privileged and powerful. It may happen that the policies necessary to elevate the condition of the unskilled groups may seem to threaten the profits and to raise the taxes of the more privileged group, and history proves that the privileged will oppose any emasculating of their prerogatives. How, then, is this opposition overcome?

In the first place, it has been suggested that many employers do not think through the proposals made to them for welfare enterprises; they may be swept along in the current of a reform era. The economically better off may themselves have risen from the ranks, and may from bitter experience sympathize with the struggle of the workers to raise their standards. Sometimes, a lurking flash of the vague term "unrest" is a factor. Then, again, shortened hours and increasing wages may lead to an immediate increase of production; under such circumstances the opposition not only dwindles but may turn into warm support. To illustrate this latter point, it has been suggested that the comparison of the efficiency of the British worker in production with that of the German worker was so unfavorable to the British that there was a considerable movement before the War toward social legislation in England. Moreover, among other tendencies at work there may be a belief that the more spending money the workers have the more goods they will buy. A great variety of influences undoubtedly does operate in a very real sense to account for the action of those who, at first glance, seem to fear the cost of change and yet welcome and work for it.

Agitation devices.—Particular devices used by the various agitators to secure community action depend largely upon the objects which they may have in view. If they wish merely to secure the passage of a law for which the public mind is prepared, they may direct all of their attention to lobbying in the legislature. "Interest groups" have sometimes been accused of using bribery and the threat of coercion to secure their ends. Usually the direct pressure on the Government is increased by securing general public support through lectures, periodicals, pamphlets and demonstrations. Petitions may be circulated, and it may be urged that the general public send letters to Congressmen. It so happens that some varieties of community action require little or no formal agitation. Workmen's compensation laws came into existence through the voluntary assent of employers and workers. Such types of community action are likely to be more permanent than those which are thought by minority groups to be unjust. Some conspicuous cases of this latter, the type thought by some to be unjust, arise when there are different moral standards within the formal community. Thus in many cities of our country there are immigrant groups who regard it as fundamentally right for each man to decide for himself whether he desires to drink alcoholic beverages, and they not only resent prohibition legislation but encourage disobedience. The difficulties of enforcement are an example of the difficulty inherent in community action that is resented by part of the group.

Sometimes one "special interest" group may capture the government, and use its powers for its own purpose. A government investigation showed that many towns in Colorado were operated at the dictates of the Colorado Fuel and Iron Company. The company proposed the ticket, provided election officials, and saw to it that no labor "agitator" was selected. During the coal strike of 1922 there occurred the so-called "Herrin Massacre" in which miners and guards were killed. Undoubtedly it was the general feeling that the members of the miners' mob ought to have been immediately tried for murder, but on account of local sentiment, the local and even some parts of the State government refused for some time to act.

The political party and agitation.--Almost all the agitation groups seek to influence the political parties, for the party is the means of uniting the activities of individual legislators and executives so that the proposals for community control may become actual laws with the required mechanism for carrying them into effect. A political party, however, is a group of people anxious to select the personnel of the government, ostensibly with the idea of changing the policy of the government, but really for the main purpose of filling jobs. Because of this fact it is well known in our country that the two major political parties seldom differ on fundamentals in their attitudes toward the workers. Their planks may contain a general declaration against child labor, but usually only after the private organizations have succeeded in raising the level of public opinion to that point. Minority parties may sponsor new measures; major parties usually take over new programs as soon as they are widely accepted. There is no mystery about the unwillingness of the major parties to commit themselves more definitely than in terms of "a full dinner pail," or "normalcy." The party must command votes in order to win. Specific issues divide; general symbols unite. Every one will shout for "justice to everybody"; some of the loudest of the shouters will scowl when factory legislation, or a minimum wage is proposed. Thus the parties have followed rather than led public opinion; organizations seeking reform must win common recognition of their policies before the political parties will touch the issues.

Leadership.—The writers of history have frequently exaggerated the influence which individuals have exerted upon the social changes of their time. No single leader was responsible for the Reformation, the fall of Rome, the Russian Revolution, or any of the striking events of history. The ebb and flow of economic power, the rise of corruption within an institution and of a counter agitation, the subtle shifts in social estimates, the solidification of group sentiments—these elusive forces appear to modern students as the decisive ones in social life and movement. Accumulated discontents must be there before sufficient propulsive power can be placed behind the program of an individual to make it a creative factor in history.

When this has been said, sufficient qualifications must be added to place the role of the leader in the proper perspective. The experience of each individual is unique and the proximity of ideas in one person's mind may differ markedly from that in the minds of others of his generation. Thus somewhat unique programs of far-reaching significance may originate in the mind of an individual and radiate through a social group to fix its attention and focus the driving energy of its unrest. Remarkable qualities for the influencing of men (extraordinary oratory, energy, earnestness, physical impressiveness) may magnify the effect of ideas. Around such a figure as Alexander or Caesar or Napoleon may center the loyalties and the hopes of millions of human beings and, within the bounds of subtle social limitations, the power of one personality may accentuate social changes. Leaders are not merely the product of a situation, but they are the molding factors in a situation. Their very conspicuousness has led their influence to be overrated until all history appears to some as "the story of a succession of great men."

In the field of labor agitation such figures as Henry George, Eugene Debs, William Haywood, and Samuel Gompers have appeared. Among the "liberals" who have espoused various measures of social amelioration, there are to be found Jane Addams, Theodore Roosevelt, William J. Bryan, and Woodrow Wilson.

Over short periods of time the leaders guide social destinies in the sense that it is possible for them to select and keep before the public certain particular proposals, and to reject and suppress certain others. The agitators who sponsor unusual measures which have not yet received the stamp of approval by a large section in the community must pay the price of appearing in the eyes of their fellow citizens as "knockers," "misfits," "wild-eyed radicals," "irresponsible disturbers," and the like. When a measure becomes sufficiently popular to promise success within a reasonably short time, another type of man takes it up. He is the "far-sighted statesman," the "advocate of sane progress," "the conservative in motion." This has been the history of woman suffrage, the eight-hour day, the movement for public ownership of utilities, and scores of other public measures which have attracted the attention of the public.

Social management is a matter of securing the strongest leader for a measure already somewhat popular, and of building a "backfire of public opinion" for the questions not yet regarded as expedient.

Each political generation, which lasts about twenty years, is likely to have an influence on political action because of the necessity which the younger leaders feel of differentiating themselves from the older leaders by the advocacy of distinctive measures. Thus in American history there has been an observed tendency for twenty-year cycles to appear.[3]

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[3] See the summary in A. M. Schlesinger, "New Viewpoints in American History."

For Discussion

1. Think of ten adults whom you know. How much time do they spend in the consideration of "labor problems" from a social point of view?

2. "An intelligent public opinion depends on facts." Do the above adults spend enough time on "facts" to have an intelligent public opinion?

3. "Coal miner," "banker," "immigrant," "farmer." Think of these types and discuss the statement, "If the same facts are presented to people, they will reach the same conclusion."

4. How do you account for sectional variations in legislation?

5. How are people punished who attend formal occasions in informal dress? Cite instances in which industrial conduct has been open to similar censure and control.

6. Suppose that the conditions in a local manufacturing plant are below the general level of the plants in the community. Just how would you proceed by informal means to improve things?

7. "Informal action is effective in punishing a few subnormals, but it does not raise the general level." Comment and cite examples, if possible.

8. "Standards are raised by the competition of well-situated manufacturers for public approval and an efficient labor force." Can you reconcile this with the preceding statement?

9. Have you ever read a book, witnessed a play, or heard a conversation about industrial conditions which aroused in you a desire to change them? Just what was it that moved you?

10. Which is more likely to influence public opinion: conditions revealed by a government investigation, or conditions revealed by a joint church investigation?

11. Under what circumstances do you believe that formal social control is desirable?

12. "No other human being has a right to impose his will upon me. I am a free-born citizen with certain inalienable rights." Discuss specifically.

13. How do you account for the emergence of self-conscious legislation? Why was it so long in appearing?

14. Make a list of some of the acts which are regarded as immoral by your social group: "beating defenseless animals," "unkindness to old people," "working defenseless women and children sixteen hours a day," and so forth. Do you know of any social group which has different attitudes toward these acts? How do you suppose these differences came into being?

15. "The *mores* are those acts which are regarded as right or wrong." Can you cite examples of changing *mores?*

16. "As soon as matters may be freely discussed they have ceased to be part of the mores." Can you cite some moral acts which you have assumed without ever discussing their logical nature, or which you have only recently been willing to discuss?

17. "Legislation comes when conflicting group notions of right and wrong appear because of varying group experiences based on the increasing complexity of society." Discuss and illustrate each important phrase in this sentence.

18. Illustrate the influence of the courts on social behavior.

19. Why do the courts slowly change their rules? Did you ever belong to a society which changed its rules? What were the circumstances? Or did you ever belong to a student self-government court which applied rules to student conduct and which modified its theories? Explain why.

20. "The courts assume a law which is adequate to work justice in every case." What is the value of such a theory as this to the courts?

21. Burke once wrote, "Legislators ought to do what lawyers cannot." Discuss.

22. Cite examples of instantaneous community action of which you are aware.

23. Were you ever in a mob? What provoked it? Just how did its action contrast with the deliberations of a legislature?

24. Why is community action not always spontaneous?

25. Did you ever take part in an agitation for community action? Explain its purpose, the methods employed, the results. Why was it necessary to agitate? Account for the success or failure of the movement.

26. List the "special" and "general" interest groups agitating in a given community. How do you account for them?

27. Are the "general" interest groups always in the right? What are the tests that are used to determine whether they are or not?

28. Should workers be helped in spite of themselves? Are they not the judges of what is good for them?

29. Describe the part played by political parties as agitation groups. Can you cite examples in which the parties have split on major issues?

30. Choose some reform in which you are interested. Outline a specific program for its realization. Discuss such topics as: securing financial support, newspapers, moving picture scenarios, legislative lobbies, press agents, political parties.

31. Make a list of the reforms advocated by the American Federation of Labor and the Industrial Workers of the World. How many of them are "politically expedient" and have the support of conspicuous statesmen? How many are regarded as disagreeably radical?

32. Who are the six most conspicuous statesmen in public life today? What measures do they favor? Have many of them advocated "radical" measures? Have any of them advocated "progressive" measures? Have any former "progressive" now become contented "conservatives"?

33. "An institution is the lengthened shadow of some great man." Test this by the organizations with which you are familiar? Is it true of labor unions?

34. "Leaders may, over short periods of time, select the measures that are to be brought before the public." Illustrate this statement.

35. Try to make an accurate appraisal of the significance of leaders in community action.

For Investigation

Summer, W. G.: "Folkways."
A classical exposition of the importance of usages, manners, customs, mores, and morals for social control.

Hobhouse, L. T.: "Morals in Evolution."

Cites examples of varying standards of right and wrong and some of the conditions of their variation.

Lippmann, Walter: "Public Opinion."

Discussion, in very readable form, of the difficulties of the public in arriving at an intelligent opinion.

Lowell, A. L.: "Public Opinion and Popular Government."

Deals with the characteristic fluctuation of public opinion.

Dicey, A. V.: "Lectures on the relation between Law and Public Opinion in England during the Nineteenth Century."

This is one of the most valuable case studies on the influence of public opinion. It emphasizes the trend toward collectivism exemplified in the social legislation of England.

Cooley, C. H.: "Genius, Fame, and the Comparisons of Races," *Annals of the American Academy*, Volume IX (1897) pages 317–58.

A penetrating study of the social psychology of leadership.

Chapter XXVI

MECHANISMS OF PUBLIC CONTROL

The minimum wage.—In our study of the unskilled women-workers groups we learned that women's wages were often low. The lot of many women in industry from time to time has aroused the sympathy of men and women of prominence who have encouraged inquiry into the causes and consequences of their conditions. Labor leaders have begun to recognize that jobs of men are menaced if women workers are ready to offer their services to employers at low rates. Social workers, students of working groups, and other citizens have pointed out that boys and girls of the coming generation must be well-born and well cared for, and hence the women of today must not be permitted to work at wages which fail to give them sufficient income to maintain good health.

An awakening of public interest in these facts and others of a related character has produced what is called a "minimum wage," of varying types, in twelve States. The term minimum wage is applied to the type of legislation we are considering, because such laws provide in general that no employer shall pay wages below the level set by the authority of the State. The laws do not try to tell the employer how much he can pay over the minimum. In general, these laws may be divided into two groups: the laws setting a definite figure for the entire State, the so-called "flat rate" type of law; the laws leaving the determination of the wage to the discretion of wage boards established by law which may set rates from time to time, rates that vary from place to place and from industry to industry. The latter group represents the prevailing practice, for it was soon discovered that the differences between places and industries are so great that a "flat rate" throughout the State would work great injustices. For example, a clerk in a small town department store does not have to pay as much for rent or food as a clerk in a large metropolitan center. Moreover, some industries, like the clothing trade, are seasonal in their nature, and an attempt to assure a living wage should take some cognizance of this fact; it should recognize that a worker must be paid a higher rate while employed, in order that he may have a living wage throughout the year.

Minimum wage standard.—Attempting to decide what sum should constitute a "minimum wage" is not a simple matter. An Australian court once defined it as a sum sufficient to cover "the normal needs of the average employee regarded as a human being living in a civilized community." But what are these "normal needs"? Should the worker have enough money to buy meat twice a week, to pay the premium on a life insurance policy, to attend motion picture shows once a week, to contribute to his church, to purchase tobacco, to possess an extra pair of shoes, to build a bank account? Indeed, who is the "average employee"? There are single women, women with little education and simple needs; there are women who must support a family. Should the wage of women be the same as that for men doing similar work? And is industry able to pay the wages that will make it possible for the worker to meet normal needs? Two sides exist on all these questions. The rule which has been widely subscribed to as a principle is (a) that a man must usually support a family sometime or other in his career, and that the male worker's wage should be computed on the basis of the minimum necessary to support in decency a wife and three children; (b) that a woman is not characteristically the sole support of a family, and hence women's wages are usually set at a rate sufficient to support her alone. Yet it is clear on a moment's thought that any given minimum wage based upon such general conclusions in a given case may be far from what are the needs of, say, one particular worker, and always there are very definite limits, imposed either by legislation or the necessity of not overburdening the employer, that affect the conclusions reached.

Justification of minimum wage.—Despite the many difficulties involved, the broad principle and the general justification of the minimum wage is clear. It is very doubtful if the community can afford to permit human beings to work for wages insufficient to procure wholesome food and some of the comforts of civilization. Human beings are more than cattle, and in the words of Father Ryan, "They have a claim on society for a minimum wage merely because they are human."

Authorities who have investigated the history of minimum wage legislation in Australia, England, and the United States are inclined on the whole to agree to its success. The conclusions of the well-known economist, John R. Commons, are:

> "(1) that it has raised wages; (2) that minimum wage rates do not in general tend to become maximum rates, as some of the opponents of the legislation have contended; (3) that it does not necessarily force workers out of industry; (4) that it does not unduly handicap employers; (5) that it does not undermine trade union organization; and (6) that it does not decrease efficiency."

Labor unionists once opposed minimum wages even for women on the ground that workers would look to legislation rather than the union for help and that the union standard of a "fair" wage is preferable to the State's standard of a "living" wage, but in operation it does not appear that the cause of unionism has much to fear from minimum-wage legislation.

Hours of labor.—Many families find themselves under a powerful incentive to keep their children out of school and put them to work for whatever they can earn. As a result, many children are deprived almost totally of schooling, put at jobs that lead nowhere, and are not prepared for desirable citizenship. Even when education laws require children to go to school until they are sixteen years old unless the parents are in need of their earnings, children are found working ten or more hours a day. A demand arose, therefore, for the limitation of the hours of children's labor, and Illinois paved the way in 1903 by establishing an eight-hour maximum for children under sixteen.

Working women are often the mothers of families and if they work long hours they are often cut off from the effective oversight of the home. Moreover, women are generally regarded as less physically fit to work long hours than men, and an attempt has been made to limit the length of their working day. Thus the maximum eight-hour day for women has been adopted in quite a few States, and several others have a ten-hour maximum set by law.

The hours of work by men also have been limited. Because of the peculiar hazards attending long hours of work on railroads, the State in many cases has acted to decree maximum hours of employment. In the case of workmen laboring in smelters and mines where the work is supposed to be especially unhealthful, there has been a special demand for the legislation that has been enacted.

In general, hours of work are considered to be subjects for the contract between the worker and the employer, and, unless exceptional health hazards exist, laws even if passed by the States are very likely to be declared unconstitutional by the Supreme Court of the United States.

Safety and health.—Modern industry is dangerous. The new machinery introduced since the industrial revolution left in its wake a train of accidents—arms clipped off by buzz saws, bodies crushed by falling cranes, hands crippled by steel hoppers. When a workman was injured, often the community as a whole found it necessary through various methods to step in to feed him and his family, to educate his children, and to provide them a lodging place. The employer found it necessary to hire and train a new man, with the consequent loss. Thus the social, the individual, and the employer's costs combined to lead many people to urge safety legislation. This agitation resulted in the passing of a series of acts, explained in chapter XI, designed to prevent accidents through requiring certain safeguarding equipment and to compensate for injury done.

Less spectacular than a mine explosion or the maiming of a worker through some abrupt accident is the steady depletion of the health of workmen through occupational disease. A possible classification of these hazards for purposes of legislation and control includes: (1) dangerous gases, acids and dusts (poisonous and non-poisonous); (2) harmful bacteria and micro-organisms; (3) compressed or rarefied atmosphere; (4) improper lighting; (5) extremes of temperature and humidity; (6) excessive strain. So far, social action in the United States has been largely limited to requiring certain precautions to be taken by industries whose operations may injure the worker's health, but there is commonly no remedy for the workman who catches a disease after such precautions have been taken. So harshly does this fact bear upon workmen and so patent are the effects of such disease that courts have had a tendency to stretch the accident compensation provisions of the various workmen's compensation acts, to cover cases of occupational diseases. Moreover, age limits are sometimes established for the more dangerous trades on the ground that older people will be more conscious of the risks they are undergoing and hence less likely to take chances, and physicians have been made responsible for reporting deaths due to any cause which seemed to be connected with the industrial task of the worker.

Regulations in behalf of making the worker secure from accidents are common. The sale of machinery without mechanical guards has in some instances been prohibited. Speaking tubes, electric bells, fire alarm systems, and other modes of communication are required in various industries. Exits, fire-fighting appliances, lighting, heat, ventilation, and boiler inspection are common subjects of control. Seats to reduce the strain of work, standards of usefulness and cleanliness for dressing rooms and toilet rooms, thorough washing of overalls, neck, hands, and gloves—these and thousands of other requirements show the degree to which the State has acted for the safeguarding of the life and health of its workers and citizens.

The early safety laws were poorly drawn and badly executed. Indeed, the history of safety legislation has been largely in the direction of setting general standards and authorizing adequate administrative machinery. The shortcomings of our earlier legislation in these fields were (1) the absence of knowledge as to the scope, nature, and cause of accidents, and (2) the fact that commonly no provision was made, in the law-treating machinery, to administer the provisions of the law from day to day through constant inspection and study.

When Illinois passed its first mining law, for instance, it was provided that the mine workers were to have "a sufficient supply" of pure air. But no commonly accepted standards of what constituted "a sufficient supply" existed, and the enforcement of the act was left with inexpert county officers. An example of specific provision eliminating the danger of general law being interpreted so as to be worthless is found in the modern Illinois code which provides that the miners are to be supplied with air currents moving at a certain velocity and according to a certain route, the administration of the law being vested in a State bureau of competent men.

Miscellaneous social legislation.—Many pages could be devoted to discussing a host of other regulations which the States from time to time have thought necessary or desirable and which directly affect the worker. Housing regulations, ordinances of cities, the activities of boards of health and of a thousand other agencies act in behalf of what the community conceives to be the social good. Those who are likely to benefit most directly from such regulation are the workers with the smaller incomes who lack both the means and the education, commonly, to provide properly for themselves and their families. Further safeguards such as organized employment exchanges and various forms of insurance have already been discussed in this text.

Settlement of Disputes

Disputes between employer and employee have caused an enormous social loss not only in the United States but in every modern industrial country, and the community has consequently insisted upon a progressively larger measure of government intervention in the hope of mitigating the costs of conflict.

Mediation.—Mediation is one form of adjusting disputes. The mediator tries to induce the two parties to talk matters over, to grant concessions, to work out some kind of an agreement. Sometimes the mediator is able to devise a proposal, which is accepted by both sides, to bring an end to the dispute. The difficulties of the mediator are quite obvious. He appears on the scene after the conflict has begun, as a rule, and he has neither the power to compel parties to testify, nor has he power to postpone the conflict while an impartial investigation is made. Moreover, the would-be mediator may be suspected of prejudice, and, if tactless, he may leave the situation worse than he found it.

Voluntary arbitration.—When mediation fails, resort is sometimes had to intervention. It may be through some system of voluntary arbitration. This type is the result of an agreement between the parties to a dispute to submit their differences to a third party and abide by his decision. The various States usually have a Secretary of Labor, and he is frequently the member of a board to mediate or urge voluntary arbitration when industrial disputes arise. The President of the United States and the United States Secretary of Labor have often functioned as mediators and arbitrators. Voluntary arbitration, it should be noted, goes one step beyond mediation, since the parties commonly are more committed to the acceptance of the decision of the arbitrator. Mediation, on the other hand, is a mere extending of good offices after conflict has arisen.

The public must have the facts if it is to pass an adequate judgment on any industrial dispute. In many places boards have been set up to summon witnesses and take testimony relating to the disagreement, either upon the request of a party to the issue or on their own initiative. Not having power to make awards, the commission of inquiry must trust to the hope that the publication of its report will clarify the situation and thus make it possible for the public to pass an intelligent judgment on the matters at stake. Such a board is the United States Railroad Labor Board which, although limited in power to the extent of simply carrying on an inquiry and publishing its findings, has exercised very real control over disputes between the workers and railroad managers.

Compulsory investigation.—It is but a step from the existence of a commission of inquiry to the extension of its scope. As a result of a prolonged strike in certain coal fields, the Canadian Industrial Disputes Act was passed in 1907. This act makes it unlawful in certain classes of industries involving the public interest (public utilities and mines) to change the terms of employment without thirty days' notice, and requires that the old terms shall operate during the period of investigation in case a dispute arises. During the interim a government board, composed of one man nominated by the employers, one by the men, and one by the Minister of Labor, investigates the facts and makes recommendations. It is unlawful to strike or to lockout until after the findings of the boards have been reported. Thereafter no restrictions exist, and if the findings are not accepted a strike can follow.

The law has been popular with many employers. Among the workers it has found support among railroad employees, but other classes of workers have at times opposed it. The chief complaints of the workers are: (1) an arbitration board nearly always feels bound to compromise, to split the difference between the claims of one side and that of the other; (2) the conditions of work are said to be whatever the workers can force the employers to agree to; (3) to announce the intention to strike at some future date makes it possible for the employer to import strikebreakers, shift his orders to other factories, and thus reduce the value of the strike; (4) there is no guarantee that the employers will abide by the terms of the award suggested by the investigating commission.

Colorado adopted what was virtually a replica of the Canadian Act in 1915, and there has been widespread agitation for its adoption elsewhere.

The Kansas Court of Industrial Relations.—The coal supply was short and the winter was setting in when the miners of Kansas threw down their picks and joined the bituminous workers of the country in their 1919 strike. The governor of the

State went so far as to attempt to operate the mines by the use of college students and volunteers of every description. While excitement was still intense, the legislature convened, and in one short session there was introduced, debated, and passed a law creating a court which in operation simply applies the principles of compulsory arbitration to industrial disputes.

The Court of Industrial Relations created by the Kansas law consists of three judges appointed by the governor for three-year terms. The manufacture and transportation of all goods in common use, such as food, clothing, and goods providing shelter are declared to be affected with a public interest, and disputes affecting them are subject to the act. In case of controversy the court can summon the parties before it for purposes of investigation, either upon its own motion or upon complaint of ten tax-paying citizens of the localities affected. The industrial court is authorized to sue in the supreme court of the State to enforce its awards.

Compulsory arbitration is opposed at present by most American unionists, for they claim that in its operation, such a law tends to fix the status of labor. Samuel Gompers once said in regard to labor: "Labor wants more, and more, and more, and by heaven she's going to get it."

What are the facts of compulsory arbitration experience? The Kansas experiment, already restricted if not killed by court action, does not permit of generalization, but the Dominion of New Zealand and the Commonwealth of Australia have had compulsory arbitration in various forms since 1894. In spite of some dissatisfaction with it, they have retained the chief features of the system. As in Kansas, despite the law there have been many strikes in these places. It is difficult, however, to determine how many strikes would have occurred if these laws had not existed. It should be noted here that both the New Zealand and Australian laws had to be amended in 1908 in order to get back to collective bargaining, since the Governments were tending more and more to usurp the functions of the unions.

Among the leaders of labor there are a few who do not dissent from the idea of an industrial court. They think that it will tend to set up certain minimum wages and conditions of work, and thus evolve a sort of minimum-wage law. It may, furthermore, prevent some of the unemployment and vicious wholesale cutting of wages in periods of depression. As for constantly obtaining a rising standard of living which others say the court will not recognize in practice, these labor leaders feel that in a democracy this higher standard of living must be won, to an increasing extent, by labor solidarity in the political field, not through violence in the industrial field. It cannot be said, however, that this point of view is generally accepted by labor in this country; it is representative merely of the opinions of a minority.

Early railroad dispute legislation.—The history of legislation attempting to secure the co-operation of employers and employees in the railroad industry in the United States, illustrates some of the difficulties arising when various devices are used to promote industrial peace.

During the eighties, labor interests commonly favored arbitration; many went so far as to advocate compulsory arbitration. This can be explained by the fact that the railway labor organizations, on the whole, were relatively weak. Arbitration, compulsory or voluntary, promised to secure more for workers than did striking or the threat of a strike. Naturally, therefore, they turned a friendly ear toward agitation seeking arbitration. On the other hand, management did not favor arbitration; it wanted no interference by the Government. This was to be expected, for management, because of its superior power, felt able to discipline labor effectively. The law of 1888, which was the first act by the Federal Government seeking to settle railroad labor disputes, provided for voluntary arbitration and for investigation. The arbitration feature of the act was never used and the investigation feature was called into play but once, during the Pullman strike of 1894. Meanwhile changes were going on within the railroad field, and organizations of workers were gaining in power.

The Erdman Act.—In 1898 the Erdman Act succeeded the Act of 1888. It provided for mediation and voluntary arbitration in controversies affecting employees engaged in operating trains. To the Chairman of the Interstate Commerce Commission and the Commissioner of Labor was given the task of trying to effect a settlement of disputes upon application of either party to a controversy. This legislation had the merit of creating a permanent board of conciliation. Should they fail in mediation it was the duty of the members of this board to work for voluntary arbitration. The Erdman Act was unused during the first eight and a half years of its existence. Thereafter it was frequently invoked and with considerable success, the cases totaling sixty-one.

In 1912, the railroad problem came to the front in a threatening form in the demand of the Brotherhood of Locomotive Engineers of 52 railroads in the East for wage increases. The board created by the Erdman Act tried to induce a settlement. It failed. Finally, however, a board of arbitration was agreed to which consisted of recognized authorities representing the railroads, the workers, and neutral parties. The details need not be given here, but part of the report expressed the growing impatience of the public mind in the following words:

> "It is an intolerable situation when any group of men, whether employees or employers, have the power to decide that a great section of the country, as populous as all of France, shall undergo great loss of life, unspeakable suffering, and loss of property beyond power of description through stoppage of necessary public service."

Meanwhile, the trainmen of the East presented demands to the roads for increased pay and for changes in work conditions. President Wilson called a conference to attempt to forestall a strike. The representatives of both sides agreed that if a bill before Congress at that time were passed they would allow their controversy to be settled under the terms of the new act. This called into existence the Newlands Act.

The Newlands Act.—The Newlands Act provided for the creation of a commission of mediation and conciliation, gave authority to this board to initiate action in settling disputes, provided for the interpretation of the award in case of any misunderstanding of its terms, and permitted the board to take more than thirty days, if necessary, in order to reach a decision. The experience with the Newlands Act demonstrated that again mediation was of more importance than arbitration. Moreover, during its life we find increasing opposition to arbitration on the part of the workers. The arbitration of the dispute between the Brotherhood of Locomotive Engineers and the Brotherhood of Firemen and Enginemen, and the railroads of the West brought out this opposition in bold relief. Although the case was settled the decision was unsatisfactory to both sides, labor interests in particular criticizing it. Complaint was made that Mr. Nagel who served as a neutral member was not neutral, for he was trustee of an estate holding railroad bonds which might be affected by an arbitration award. All of these facts revealed a growing tendency of labor to oppose arbitration. Mr. Lee, of the Brotherhood of Railroad Trainmen explained this opposition as follows:

> "A board of arbitration, regardless of how fair-minded its members may be, naturally reaches the point, when its own interests are affected, of arbitrating its own case rather than that of the employees affected. This is said without any reflection on the personnel of the arbitration boards. The results of arbitration fully justify the position now taken by the railway employees against like happenings in the future."

A similar view was expressed by Mr. Carter, president of the Locomotive Firemen and Enginemen:

> "After years of experience under arbitration, I reached the conclusion that the labor question is not arbitrable if the workingmen hope to secure justice in the results."

The Adamson Law.—December, 1915, brought forth the demand of the Brotherhood of Locomotive Engineers for the eight-hour day and a statement that they would not arbitrate the issue. All efforts to get the men together with railroad officials failed, although the latter asked the men to join with them in requesting the intervention of the United States Board of Mediation and Conciliation. President Wilson asked both sides to come to Washington, and on August 29, 1916, appeared before Congress asking and securing the immediate passage of a law recognizing the eight-hour day. Four months later Mr. Carter defended the opposition of a great part of the strongest unions in the railroad field to arbitration with the following arguments:

> "(1) The roads had manufactured a public opinion that would have been hostile to the men; (2) the standard of the United States Board of Mediation and Conciliation for the selection of neutral arbitrators had proved in the Nagel case to be unfair and partial; (3) the statistical evidence presented by the roads, although partisan and not scientific would have overwhelmed the neutral arbitrators; (4) the influence of precedent would have operated against the men; (5) the railroads, while proposing arbitration, refused to permit about 75 of the smaller roads to participate in the arbitration. Where these roads believed that the small number of employees made it possible for them to win a strike, they refused to delegate authority to the railroads' committee to include them in the arbitration. The employees were not willing to arbitrate for only the larger roads. Furthermore, the railroads refused to permit the locomotive hostlers of about 18 roads to participate in the proposed arbitration. Also, the railroads refused to include in their proposed arbitration white foremen,

brakemen, and hostlers on many railroads and no colored employees. No negro employee was to benefit by the arbitration; (6) the award would have been administered by the managers in accordance with their own interpretation of its meaning."

War-time control of railroads.—Federal control of the railroads began on December 28, 1917, and immediately thereafter the Railroad Wage Commission was created by the order of the Director General of Railroads, Mr. McAdoo. Later a Board of Railroad Wages and Working Conditions was established. In circular Number 31, June 1, 1918, Mr. McAdoo outlined the duties of the board:

> "It shall be the duty of the board to hear and investigate matters presented by railroad employees or their representatives affecting:
>
> (1) Inequalities as to wages and working conditions, whether as to individual employees or classes of employees.
>
> (2) Conditions arising from competition with employees in other industries.
>
> (3) Rules and working conditions for the several classes of employees, either for the country as a whole or for the different parts of the country. The board shall hear and investigate other matters affecting wages and conditions of employment referred to it by the Director General."

Transportation Act of 1920.—On March 1, 1920, the railroads were returned to private control under the authority of the Transportation Act of 1920. The principal provisions of this law are: (1) Both employees and employers are called upon to exert every possible effort to adjust these disputes so as not to interrupt interstate commerce. Failing to agree, they shall refer their difficulties to a railroad board authorized by the act; (2) Local or regional boards may be established by any carrier or group of carriers and employees to decide grievances not decided as provided above; (3) A Railroad Labor Board is created, consisting of nine members, three to be appointed by the President from a group of six names suggested by the carriers, three from six names suggested by the employees, and three members named directly by the President; (4) No member of the Board is to hold a position on a railroad labor organization or be financially interested in any organization of labor or any carrier during his term in office.

The Railroad Labor Board.—The Railroad Labor Board has disputes brought before it in one of three ways:

1. Upon application of any carrier or any organization of employees.
2. Upon written petition from not less than one hundred unorganized employees.
3. Upon the board's own motion.

On wages the adjustment boards have no jurisdiction. The law creating the Railroad Labor Board goes farther and lays down the following criteria of what is to guide the Board in determining fair wages:

1. The scale of wages paid for similar kinds of work in other industries.
2. The relation between wages and the cost of living.
3. The hazards of the employment.
4. The training and skill required.
5. The degree of responsibility.
6. The character and the regularity of the employment.
7. Inequalities or increases in wages or treatment, the results of previous wage orders and adjustments.

Of the nine members on the Board, five must agree in any decision, and if the question is one of wages, at least one of the public group must concur. All the necessary machinery for investigation, subpoenaing witnesses, taking testimony, and so forth, exists. Above all, the Board may publish its findings. Thus, in essence, the Transportation Act of 1920 relies upon enlightened public opinion to force the acceptance of its awards upon both the carriers and employees.

During 1920 and 1921 the Board approved of wage increases involving close to $1,000,000,000 and adjusted many other disputes and grievances. In 1922 the Board ordered wage reductions. One very serious strike occurred, and in a number of cases certain carriers carried on tactics that were clearly in violation of the spirit of the act, only to be tardily brought before the Board and reproved. The fall of 1922 and the spring of 1923 found wages picking up in outside industry and at present (April, 1923) the Board is being approached with a flood of demands for increased wages. Whether the Board, as it is now constituted, will survive as an agency standing between carriers and employees is not certain. Yet it is certain that the public does not intend to let unrestricted warfare be the rule between employers and employees engaged in running the railroads.

The future of community action.—It would be unsafe to generalize about the future of community action relating to labor conditions. The dynamic element in society is an element that is always incalculable. Community action will be conditioned upon changes of the future. We do not know how much it will be possible to accelerate the rate of human progress and to hasten the ripening of social and industrial history, yet certain trends seem to be observable. In the first place, the public is less and less tolerant of interruptions and violence in those industries which concern its welfare directly. This intolerance is due largely to the fact that modern industrial society is more interdependent than ever before, and the intricate web of relations which bring food and clothes to the consumers is becoming more and more vitally important. The tendency toward compulsory arbitration and other forms of authoritative intervention seems to be growing. The willingness of the Government to use force to protect property and continuity of employment, the decision that labor unions are liable as groups for the violations of property and liberty committed in their name, are two further indices of the same general movement. A second trend may be a growing conviction among labor leaders that the Government must be won over by successful political campaigning in order that the compulsory power of the State may be used in the interest of the labor group. As yet, the positive evidences of this are few in number. Third, there is a growing effort to forestall disputes by the establishment of permanent commissions to watch the changes in the industry and to hear disputes in their incipient stage before they become fighting issues.

For Discussion

1. Has there ever been a housing law passed in your community; a juvenile probation law; or a law creating a municipal employment agency? Who were the people who suggested any one of these measures, and how did it happen to be adopted? Has the subject managed to keep the interest of the public since the legislation was enacted?

2. "The workers are out to control industry and eliminate industrial autocracy. Anything they do which is directed toward this end should be supported by everybody who believes in their ultimate objective." Do you agree?

3. Suppose a conflict arises between the workers and the owners of the United States Steel Corporation as it did in 1919. What facts would the public want to know? What facts as citizens would the community commonly get from the press? What do your answers suggest as to the possibilities of intelligent public control of industrial disputes?

4. "The interest of the Government is to preserve order; the interests of the worker sometimes are served by disorder." Criticise this statement.

5. Suppose the street railway men in your city were to strike tomorrow. What would the Government do about it? What would be the attitudes of the various groups in the public toward the strike?

6. News comes that in *X* County, in a coal area, striking miners have shot down a number of strikebreakers and private detectives. Is this a question upon which the community as a whole can arrive at a unified judgment (1) as to the facts of the case, and (2) as to what should be done? Why or why not?

7. Much of our labor legislation has occurred recently. How do you explain this fact?

8. Is it possible for the Government to interfere too much in industrial relations? Be specific. Can you cite any instance in which Government interference has worked out badly?

9. "Hands off in the matter of State interference means free play to competition and evolution. The fittest will survive." Discuss.

10. "Government intervention is necessary to equalize opportunities. Without this equalization of opportunities, the best will not necessarily survive." Comment.

11. A State passes a law that employees shall be paid their wages each second week. How do you justify such legislative interference?

12. "Progress comes through co-operation rather than conflict." Can you cite any examples? What does this suggest as to social legislation?

13. "Absolute statements are as often incorrect as correct. There are times when Government intervention is desirable;

there are other times when it is undesirable." Discuss and illustrate.

14. "The menace of American society is paternalistic legislation." Who probably said this? Why?

15. "Capital has been relieved of many of its risks. Workers are left to shift for themselves." Is this true?

16. Has the Government been of much aid to the coal miners, steel workers, clothing workers, casual laborers?

17. A law provides that women shall not work at night more than eight hours. Another law provides that women shall not work during the day in any industry more than eight hours. Do not both of these laws involve an unwarranted interference with the rights of women to contract freely for the disposal of their labor?

18. "The law sometimes protects people against themselves." Suppose that a child of twelve wanted to go to work, and the State law forbade his employment until he reached the age of sixteen. Can you justify the law?

19. Can you justify the protection of adult women "against themselves"?

20. "If child labor is unwise, it will eventually disappear without Government meddling." Should this consideration lead the Government to refrain from "meddling"?

21. Is it more desirable to have a State or a Federal child labor law? Why?

22. Do you approve of legislation providing for sanitary washrooms in factories for employees, for a library in the building, for a swimming pool?

23. Was there ever a time when opinion was against any of the above measures? Which is most generally accepted now? Under what circumstances might all three be approved?

24. Discuss the following phrases which apply to mediation: "Neither party is bound to recognize the intervention of the community;" "There is an obligation on the part of the workers to refrain from striking;" "The decision of the third party is based on a hearing in which evidence is balanced;" "The third

party is primarily concerned with what the contending groups will accept, rather than with what is just."

25. In what respects is arbitration said to be more advanced than mediation?

26. "The workers lose the psychological power of the surprise attack when arbitration is in existence; thus the friend of arbitration is really the friend of the employer." Discuss. Is this true in a period of depression and falling prices?

27. "Arbitration is always based on precedent because it is judicial in its nature, but the workers are anxious to break precedent and enlarge their share of the income of the industry. Arbitration is, therefore, opposed to their best interests." Is this always true? Is this true in a period of falling prices?

28. "Arbitration handicaps the employer in dealing with his working force." Under what conditions?

29. "Arbitration means outside meddling with business." What is the theory on which it is generally justified?

30. "Compulsory arbitration may be all right for agricultural Kansas, but it can't be enforced in industrial New England." Discuss.

31. "Compulsory arbitration is absolutely necessary to protect the public from the menace of hunger and violence." "Compulsory arbitration would not be needed if the public did its duty toward the workers?" Compare.

32. "The question of wages should not be submitted to the courts because there are no standards of what is a right and proper wage." Comment.

33. "The worker who gives up his right to strike gives up all." Is this so?

34. Is a court composed of three men appointed by the governor necessarily representative of all the people? Why, or why not? What might the worker think?

35. "The public must be right always." Would you advocate compulsory arbitration on this ground?

36. "The Canadian Act is commonly obeyed, not because the employees fear imprisonment, but because they do not wish to appear as lawbreakers." Comment.

37. Is compulsory arbitration opposed to conciliation? Might it promote conciliation? Explain.

38. Account for these two statements relative to the Canadian Act: "A false step, reactionary, un-American" (Samuel Gompers); "The wisest and most successful legislation anywhere adopted" (Ex-President Eliot of Harvard).

39. "Government ownership of railroads will come just as soon as the workers get strong enough to make the employer's profit unsafe. Then the workers will be stopped." What about it?

40. Does the trend in the history of public intervention in the railroad industry seem to be toward increasing interference, toward bettering the status of labor, or toward safeguarding the profits of the employer?

41. "The railroad workers will slowly be forced into politics to improve their status." Criticise.

42. "The Government is not a lenient employer. Post office salaries have always been low." "The rail workers are so compact that they will hold the balance of power in every election and secure wage increases without end." Is this correct?

43. What of the future of community action? Discuss it in detail.

For Investigation

Commons and Andrews: "Principles of Labor Legislation." Chapters IV–IX.

Authoritative summary of the forms of community intervention.

Gilman, Nicolas P.: "Methods of Industrial Peace."

An early treatment of the problem, still valuable for its fairness and moderateness.

Hammond, M. B.: "British Labor Conditions and Legislation."

Includes a consideration of war-time and anti-strike legislation.

Higgins, H. B.: "A New Province for Law and Order," *Harvard Law Review*, November, 1915.

The principles governing the operation of the Australian Commonwealth arbitration act presented by the president of the court which administered it.

Le Rossignol and Stewart: "Compulsory Arbitration in New Zealand," *Quarterly Journal of Economics*, 1910.

Excellent discussion of subject indicated.

American Association for Labor Legislation: *American Labor Legislation Review.*

Published quarterly since 1911 and containing a large amount of material on every aspect of labor legislation.

CHAPTER XXVII

THE OBJECTIVES OF COMMUNITY ACTION

We are now approaching the conclusion of the present introduction to the study of labor problems and attitudes. We have approached the controversial problems from various angles, and now we are ready to consider the question: "What is to be done about it?" Are there any social objectives toward which we should steer in the adjustment of conflicts between the labor groups, the employing groups, and the "non-combatant" groups?

The first question which deserves consideration may very well be: "What progress has already been made in the solution of labor problems and what guiding principles have emerged?"

Progress.—Like many other terms used in current discussions, the word "progress" is one of strong attraction and vague significance. Advocates of all sorts of programs invoke the word in defense of their favorite schemes, and even conservatives often defend their stand by claiming that the so-called reform which they are opposing is not a step forward at all, but a return to some previous and less desirable condition of affairs. Taken in one extreme sense, the word "progress" seems to signify little else than change regardless of the nature of the change. In that sense mere difference between our own and past conditions is regarded as an indication and measure of progress. Often such expressions as "behind the times" and "up-to-date" reflect this attitude. A pitying and patronizing attitude towards the past just because it is past and an admiration for the most recent, whether in dress or in slang, are characteristic of those who look upon progress from this angle.

In looking for the evidences of what is termed progress, it is very easy to confuse means and ends. This confusion is especially liable to arise in the machine era in which we are living, because on every hand we are confronted not only by a variety and a rate of change unparalleled in the previous history of the world, but by changes from the simple to the complex, from the minute to the immense, which have all the external and obvious characteristics of growth, of evolution. Industrial nations like the United States and Germany have rapidly increased in population. The variety and quantity of the objects manufactured have increased with bewildering rapidity as machines have grown from small and crude affairs to huge, complicated, efficient mechanisms. Similarly small traders have been largely replaced by great corporations; corner groceries have grown into great department stores; slaughterhouses into the gigantic stockyards of Chicago and elsewhere.

Progress and the machine era.—Amid all the marvelous developments of the machine era there have been voices of protest raised from time to time. Writers like Carlyle lamented that the cash bond was being substituted for the human feelings of beneficence and loyalty formerly existing between master and servant; Ruskin turned with disgust from the grime and ugliness incident to many of our industrial processes; humanitarians complained about the employment of women and children in the grinding tasks of the mill; William Morris regretted the substitution of monotonous and uninteresting work of modern machine tenders for the creative satisfaction which the mediæval artisan found in the making of a complete product; Henry George contended that modern industry while enormously increasing the wealth of the rich was not relieving, but rather intensifying, the sufferings of the poor.

The arraignment of the machine era, of course, can be pressed still further. It has been contended that the multiplication of the merely external things of life and the consequent preoccupation with material interests have rendered the modern mind insensible to the finer ideals of life—that art has become coarsened and commercialized, that worldly concern has crowded out spiritual aspirations.

To deal with these more fundamental criticisms of the machine era does not lie within the province of this book. The ultimate values of life are the concern of philosophy and religion, not of economics. But the questions raised by the critics of modern society certainly suggest *that progress should be defined in terms of human welfare.* Mere increase in the means of multiplying economic goods and the actual increase in the quantity of the goods themselves is not progress unless these goods are transformed into actual benefits for mankind. While it may be true that the machines have, on the whole, conferred large benefits upon humanity, there is a growing feeling that these benefits have not been so great or so well distributed as might naturally have been expected. Henry George expressed these points in his book "Progress and Poverty" as follows:

> "The present century has been marked by a prodigious increase in wealth-producing power. The utilization of steam and electricity, the introduction of improved processes and labor-saving machinery, the greater subdivision and grander scale of production, the wonderful facilitation of exchanges, have multiplied enormously the effectiveness of labor.
>
> "At the beginning of this marvelous era it was natural to expect, and it was expected, that labor-saving inventions would lighten the toil and improve the condition of the laborer; that the enormous increase in the power of producing wealth would make real poverty a thing of the past.
>
> "Now, however, we are coming into collision with facts which there can be no mistaking. From all parts of the civilized world come complaints of industrial depression, of labor condemned to involuntary idleness, of capital unused and wasting, of pecuniary distress among business men, of want and suffering and anxiety among the working class.
>
> "Just as a community realizes the conditions which all civilized communities are striving for, and advances in the scale of material progress—just as closer settlement and a more intimate connection with the rest of the world, and greater utilization of labor-saving machinery, make possible greater economies in production and exchange, and wealth in consequence increases, not merely in the aggregate, but in proportion to population—so does poverty take on a darker aspect. Some get an infinitely better and easier living but others find it hard to get a living at all. The 'tramp' comes with the locomotive, and almshouses and prisons are as surely the marks of 'material progress' as are costly dwellings, rich warehouses, and magnificent churches. Upon streets lighted with gas and patrolled by uniformed policemen, beggars wait for the passer-by, and in the shadow of the college, library, and museum, are gathering the more hideous Huns and fiercer Vandals of whom Macaulay prophesied."

Progress and laissez faire.—Adam Smith and the economists of the first half of the nineteenth century were persuaded that if industry and trade were only left to themselves the lot of mankind would be rapidly improved. The "laissez faire" theory, however, is now generally discredited as a complete solution for social and industrial ills. Left completely to themselves, the forces of industrial society seem to be capable of immense social damage, and as we have seen in the present volume the community, now moved by humanitarian appeals, now aroused to self-protection against the injuries inflicted by contending groups of capital and labor, have interfered in various ways with the workings of the industrial mechanism.

That this interference has been somewhat crude and uncertain must be obvious to all. Men of affairs are inclined to scoff at mere theories of social reform, but it is becoming more and more evident that hasty and ill-considered action at the time of an industrial crisis should be replaced by some intelligent community policy which could anticipate, and perhaps prevent, the culmination of the crisis. Such a community policy can be devised only by deliberate consideration of industrial facts on the one hand, and of the objects to be gained, on the other. There can be no practical means of dealing with industrial evils until there is some general agreement as to the ends which society wishes to attain. Consequently, it will not be amiss to examine briefly some of the concepts of progress, in terms of human welfare, which thoughtful students of society have expressed.

Assuring co-operation.—To some people social life is a continuous process of solving differences which militate against co-operation. Any device, then, which secures co-operation with the least possible friction is regarded by them as a positive advance. Industrial courts in the place of industrial warfare appeal to them as evidence of progress. Others wish to believe that equalization of opportunity is the criterion of better things. Education and community parks and playgrounds are symbols to them of the improving world. For our purposes we may regard both of these things as elements in social progress through community action.

Many factors work to bring about the adjustment of differences. In an interdependent society such as ours the costs of industrial conflict have become so great that, as we have previously shown, a demand for orderly settlement seems to be growing. What shall be the criteria of judgment? Where are the facts of social life which must be known in order to work out an agreement? On account of the complexity of modern industrial society the facts are both numerous and beyond the experience of most citizens who are busily engaged in making a living in office, store, factory, or on the farm. But here again specialization steps in to render service. There are those who spend all their time in recording and interpreting the facts.

They furnish us with information which enables us to develop more intelligent opinions on matters affecting our living together.

The social investigator.—Already the social investigators have made substantial contributions to the settlement of our differences. They have made mutual agreement possible on what the facts are and what consequences would probably follow any particular decision. They cannot decide the dispute but they can point out the issues involved and the consequences of the alternative choices which are possible. This narrows the range of disagreement and frequently brings men together in a workable compromise.

The development of the index number (see page 293) has served to make everyone conscious of the exact nature of the price fluctuations of modern industry, and these index numbers are constantly referred to in wage disputes. The investigators, moreover, were the ones who did the actual work of surveying the coal industry, the steel industry, and the other aspects of society which have been summarized in this book. Some of these students are teachers, some are professional statisticians, and some are attached to various research bureaus springing up over the country.

The facts which have been collected by the investigators are not as widely used in the discussion of many important social, and especially industrial questions, as desirable, partly because the service which these students might perform is not widely understood. To illustrate how the community could make better use of its special students, Mr. Walter Lippmann has sketched this picture of what might easily come to pass:

"There is, for example, a grave dispute in the steel industry. Each side issues a manifesto full of the highest ideals. The only public opinion that is worth respect at this stage is the opinion which insists that a conference be organized. For the side which says its cause is too just to be contaminated by conference, there can be little sympathy, since there is no such cause anywhere among mortal men. Perhaps those who object to conference do not say quite that. Perhaps they say that the other side is too wicked; they cannot shake hands with traitors. All that public opinion can do then is to organize a hearing by public officials to hear the proof of wickedness. It cannot take the partisans' word for it. But suppose a conference is agreed to, and suppose there is a neutral chairman who has at his beck and call the consulting experts of the corporation, the union, and, let us say, the Department of Labor.

"Judge Gary states with perfect sincerity that his men are well paid and not overworked, and then proceeds to sketch the history of Russia from the time of Peter the Great to the murder of the Czar. Mr. Foster rises, states with equal sincerity that the men are exploited, and then proceeds to outline the history of human emancipation from Jesus of Nazareth to Abraham Lincoln. At this point the chairman calls upon the intelligent men for wage tables, in order to substitute for the words 'well paid' and 'exploited' a table showing what the different classes are paid. Does Judge Gary think they are all well paid? He does. Does Mr. Foster think that they are all exploited? No, he thinks that groups C, M, and X are exploited. What does he mean by exploited? He means they are not paid a living wage. 'They are,' says Judge Gary. 'What can a man buy on that wage,' asks the chairman. 'Nothing', says Mr. Foster. 'Everything he needs,' says Judge Gary. The chairman consults the budgets and price statistics of the Government. He rules that X can meet an average budget, but that C and M cannot. Judge Gary serves notice that he does not regard the official statistics as sound. The budgets are too high, and prices have come down. Mr. Foster also serves notice of exception. The budgets are too low, prices have gone up. The chairman rules that this point is not within the jurisdiction of the conference, that the official figures stand, and that Judge Gary's experts and Mr. Foster's should carry their appeal to the standing committee of the federated intelligence bureaus.

"'Nevertheless,' says Judge Gary, 'we shall be ruined if we change these wage scales.' 'What do you mean by ruined,' asks the chairman, 'produce your books.' 'I can't, they are private,' says Judge Gary. 'What is private does not interest us,' says the chairman, and, therefore, issues a statement to the public announcing that the wages of workers in groups C and M are so-and-so much below the official minimum living wage, and that Judge Gary declines to increase them for reasons that he refuses to state. After a procedure of that sort, a public opinion in the eulogistic sense of the term can exist.

"The value of expert mediation is not that it sets up opinion to coerce the partisans, but that it disintegrates partisanship. Judge Gary and Mr. Foster may remain as little convinced as when they started, though even they would have to talk in a different strain. But almost every one else who was not personally entangled would save himself from being entangled."[1]

Equality of opportunity.—Another theory of progress is that community action should have for its goal the wiping out of those differences which deprive individuals of equal facilities for the development of their innate capacities. "America is the land of opportunity," "All men are created free and equal";

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[1] "Public Opinion," pages 403-405.

these slogans of American democracy testify to the belief of our nation in this kind of progress.

Equality is secured to some degree today through certain services rendered by the Government. A child is able to receive an education which costs far more money than his parents can possibly contribute, not only because the public administration of education is more economical than private education, but because those who have money are taxed in greater proportion than those who have not. "Ability to pay" is the principle on which revenues are collected for free public schools, parks and play-grounds, public libraries, free public health clinics, and the like. And of all these services, education is the greatest; it throws open to everybody the possibility of acquiring sufficient skill to become industrially useful and independent.

An indirect consequence of the spread of these public services and the principle of "ability to pay" in taxation has been the tendency toward the equalization of wealth. The rich have not been taxed in our country for the avowed purpose of taking from them and giving to the poor, but in actual fact this is what happens to the degree that the rich pay relatively more of the community expenses than they proportionately would if taxes were strictly equal in terms of dollars. This taxation of the industrially privileged has taken place because it is easier to collect from those who have means. Theoretically it is justified on the ground that a dollar to a rich man means less than a dollar to a poor man, because the rich man has more dollars. Thus the man who pays a thousand dollars to another man's one dollar may not feel the burden any more than the latter.

This taxation of wealth has taken the form of a graduated income tax and an inheritance tax. The percentage of the income which is taken by the Government increases with the size of the income. Thus an income of $2000 may pay three per cent, while the income of $100,000 may pay ten per cent. Inheritances seem to be very easy to tax, and in legal theory the State furnishes the protection which makes it possible for the heir to receive the legacy which is left him; so the State may take some of the inheritance and call the sum simply compensation for its service. If inheritance taxes were high, if a large percentage of the legacy were taken, the redistribution of wealth which would take place would be very noticeable.

Equality of opportunity may come by the socialization of Government services, by philanthropy, and by the conscious use of taxation to level down wealth inequalities. But this is not all. Many people believe that progress will come in other and more subtle ways. From their point of view the perfection of machine industry and the invention of new ways of producing commodities will make a happier life possible for everyone. New improvements encourage production of more commodities; the principle of decreasing costs in the production of manufactured articles—the greater the number made, the less the cost per unit—operates to push commodities upon the market. Thus, the actual cost of living is either lowered, or the complexity and variety of the commodities and services which one may enjoy are multiplied. Since the productiveness of machinery depends on the possession of sufficient purchasing power on the part of sufficient people, it may be supposed that industry always tends to benefit everybody in giving everyone access to all the improvements and refinements of civilization.

A rising group of radical industrial thinkers is prone to think that any such ideal as "equality of opportunity" involves the elimination of every barrier to the position of prestige in society. In the field of political institutions, the control of governmental affairs is no longer vested in hereditary rulers; the posts of control are available to anyone who can command the votes of his fellow men. Industry, they argue, is organized on an absolutist basis, and the workers are not usually given a voice in the selection of industrial officers. Social distinction rests upon success in catering to the privileged few rather than to the many, very much as it did in the days of absolute political monarchs. Those who are unsuccessful in winning the favor of the few are certain to object to such a system, and a great deal of the unrest in modern industry is alleged to be traceable to the revolt of aggressive spirits against a social order which requires deference to the controlling oligarchy as the price of promotion.

There are many for whom the ideals considered in the last few pages contain no attractions. Even those who accept the phrase "equalization of opportunity" wish to qualify it and explain it in various ways. They claim: (1) It is not intended to promote a dead level of uniformity by giving everyone the same choices. The ideal of equality of opportunity does not mean the same opportunities for all; it refers rather to experience with a variety of values and freedom in the selection and development of certain values. But specifically, it is not desired that everyone study chemistry, and violin-playing, or mechanical engineering; it is believed that everyone should have some acquaintance with the sciences and the arts, and then that no special obstacles be thrown in the way of his training and pursuit of a specialty. In reality this ideal promotes the greatest possible variety of accomplishments. (2) The ideal is not one of irresponsible freedom. Equality of opportunity does not mean that a man could become interested in turning handsprings, unless he could command social approval for his behaviour. The musician should not become so incomprehensible to his own age that no one will support him. Anyone, moreover, who desires to specialize in picking pockets would not be encouraged, nor could individual laziness be permitted full sway.

A cultural democracy.—Finally, there are some who speak of the realization a "cultural democracy" as the real test of progress, and to them economic progress is subordinate to that end. What is meant by cultural democracy is very complex and comes to include all great ideals. Here is the way one philosopher defines it: "Spiritual progress means simply clearer vision, completer knowledge, and a less petulant and self-assertive habit of insistence upon the details of particular purposes as individual impulse and idiosyncrasy define them."[2] In short, economic equality is but a means toward allowing every personality to become rich and varied, unselfish, intelligent, sanely balanced. Progress thus becomes identified with the ideals of the great ethical and artistic teachers of the race.

Summary.—Our study of the processes of community action and their explanation has led us into many phases of the problem. Agreements and differences of opinion are alike the outcome of past experiences of those who live in communities; the community acts instantaneously when a situation is dramatically presented to it, upon which there is little difference of opinion; agitation arises to influence community action when there are differences of opinion and where a matter has not been brought to the attention of the community in dramatic form; community action proceeds by informal criticism and pressures, and also by formal enactment and coercion; progress comes through the economy of energy in adjusting differences and in the elimination of differences leading to inequality.

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[2] H. W. Stuart: "Phases of the Economic Interest," *Creative Intelligence*, page 287.

The place of the individual in this process is clear enough; if he is an investigator, his problem is one of honest description; if he is a member of a special interest group, his problem is to see that his special interest does not conflict with community welfare; if he is without many special interests, his problem is to strive to think clearly and to work for the ordering of society according to some conception of progress which he has worked out. It is the belief of the world of today that our lives in the world about us can be ordered according to a plan of values which is humanly desirable. No longer are we afraid of witches that curdle milk, of evil spirits which hold back rain, or of goblins that produce disease. Toward the realization of a better world, community action is now directed, and this action is guided by intelligence.

For Discussion

1. Think of some group to which you belong. What are the criteria which the group takes as the measure of its progress? What are the criteria which a business manager accepts for his business? What are the criteria which a city takes?

2. Are there conflicting theories of progress to be found in the groups referred to above? What are they? What is your choice, and how do you explain your decision?

3. Are you willing to subscribe to the conclusion that "while it may be true that the machines have on the whole conferred large benefits upon humanity, there is a growing feeling that these benefits have not been so great or so well-distributed as might naturally have been expected?" What facts can you cite in support of your conclusion?

4. State again the "laissez faire" theory and pass judgment upon it.

5. "The greatest menace to our present society is the paternalism of the government. It reaches its fingers into every corner of men's lives." Discuss.

6. "We are making progress toward the control of nature, but we are lagging far behind in the control of society. A new mode of production raises social problems which are unsolved after one hundred and fifty years." Comment.

7. Why discuss the objectives of progress if people disagree about them?

8. Can disagreement be reduced by discovering and making known facts about the subject matter of an industrial dispute? Cite examples for and against.

9. "Our courts declared the eight-hour day for women constitutional, and thus reversed their earlier decision, because in the meantime more facts about the consequences of the long work-day had piled up." Comment.

10. What are some of the issues on which public opinion is divided at the present time? Outline the facts which you would want in order to pass an intelligent opinion on any one of them. Are these facts easily available? Could Mr. Lippmann's scheme be used to secure them?

11. "Progress has come through conflict. Wars and strikes are desirable." Discuss.

12. "Society will never eliminate conflict. It can, however, settle disputes by political rather than by coercive methods." Discuss.

13. "America is the land of opportunity." Is this as true today as when it was first said? Are there other places in the world where opportunities are practically as available?

14. "The socialization of wealth by free government services is a notable feature of the last century." Is this desirable? Does it have any dangers?

15. "All men are created free and equal." Is this true of the child of rich and the child of poor parents; of the son of a Mexican peon and the son of a mill owner?

16. "Modern intelligence tests reveal great individual variations in mental capacity." Suppose this is true. Should opportunities be adjusted to mental capacity alone?

17. "Achievement does not always correlate with capacity; hard work and moral trustworthiness may make up for deficient mental alertness." How can the children of the present generation be placed under conditions which would make their achievements fairly comparable?

18. "It is unjust for one child to inherit a hundred thousand dollars and another child to inherit one thousand dollars." Why, or why not?

19. "Concentrated wealth in the hands of a few has permitted art to flourish. Civilization with its achievements and refinements is the product of inequitable distribution of wealth." Is this correct?

20. "Art should never progress farther than the majority of the people are willing to support it. Science has long ceased to be the pastime of the rich." Comment.

21. "Taxation of wealth kills the goose that laid the golden egg. The genius of man will not be wasted in industry in order to educate the children of beggars and to provide free baths for vagabonds." What are the assumptions involved in this assertion? Are they valid?

22. "Charity is a great redistributor of wealth." Is charity desirable?

23. "Charity is a form of belated payment for services received, and it is payment in an especially degrading manner." Comment.

24. "Modern society is continually improving the lot of every man by the cheapening of commodities." Just how is this supposed to work? Is the claim true?

25. Give some concrete meaning to the expressions: "equality of access to a variety of values and freedom in the selection of values;" "equalization of opportunity does not imply irresponsible freedom;" "cultural democracy."

26. Is it true that promotion in modern industry depends upon the favoritism of the few while political office is open to those who can win the favor of the many?

27. Which is a better mode of selection—appointment by an irresponsible few, or appointment by representatives of the many?

28. Explain and illustrate each significant word and phrase in Stuart's formula of progress.

29. Make your own statement of progress. Specify its objectives.

30. Work out a concrete program for the solution of the "labor problems" in which you are the most interested. Has this chapter on progress been of any value to you?

31. Write a criticism of this textbook as a textbook in labor attitudes and problems. Suggest alternative methods of treating the subject.

For Investigation

Hobhouse, L. T.: "The Elements of Social Justice."

A brilliant exposition of a social philosophy of ends, totogether with suggested applications.

Dewey, John: "Progress," *International Journal of Ethics*, Volume XXVI (1916) pages 311–22.

A brief summary of the conclusions of America's best-known living philosopher.

Bury, J. V.: "The Idea of Progress."

The whole concept of progress is a relatively recent human achievement, and this book gives a fascinating and critical sketch of its origin and mutation.

Todd, A. J.: "Theories of Social Progress."

Represents an attempt to distill guiding principles from divergent theories.

Inge, W. R.: "The Idea of Progress."

A critical and disillusioned discussion.

Mallock, William H.: "Aristocracy and Evolution."

Defends the thesis that progress is the contribution of the privileged classes to civilization.

Willcox, Walter F.: "A Statistician's Idea of Progress," *International Journal of Ethics*, Volume XXIII (1913) pages 275–28.

An attempt to present concrete indices of social progress.

Shafer, Robert: "Progress and Science."

Six essays on various forms which the doctrine of progress appears at present to take. A popular treatment.

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